

Legislative Assembly of Alberta

Title: **Thursday, April 26, 2001**

1:30 p.m.

Date: 01/04/26

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

Let us pray. Our Father, keep us mindful of the special and unique opportunity we have to work for our constituents and our province, and in that work give us strength and wisdom. Amen.

Please be seated.

head: **Introduction of Visitors**

MR. JONSON: Mr. Speaker, this afternoon I am pleased to introduce to you and through you to members of the Assembly His Excellency Pawel Dobrowolski, ambassador of Poland, on his first official visit to Alberta. The ambassador is accompanied by his wife, Mrs. Ludwika Dobrowolska.

Mr. Speaker, this is a very important visit. Alberta and Poland share many things in common, including strong agricultural sectors and success in public-sector reforms. In addition, there are over 126,000 Albertans who trace their ancestry to Poland, the sixth largest ethnic group in our province. The ambassador's visit is an excellent opportunity for us to learn more about each other and to explore ways to expand our relationship.

Mr. Speaker, they are seated in your gallery, and I would ask that our honoured guests please rise and receive the traditional warm welcome of this Assembly.

Thank you.

head: **Presenting Petitions**

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

MS BLAKEMAN: Thank you, Mr. Speaker. I'd like to present with your permission a petition signed by 39 individuals from Cochrane, Calgary, and Edmonton petitioning the Legislative Assembly "to ensure that Mr. Stockwell Day is made personally liable for any funds required to settle his defamation litigation."

Thank you.

MR. MASON: Mr. Speaker, I wish to present to the Assembly today a petition signed by 20 Edmontonians and Albertans. The petition calls for

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: **Tabling Returns and Reports**

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

DR. PANNU: Thank you, Mr. Speaker. I've got two tablings today. The first one is a copy of a news release from the Alberta Federation of Labour showing that workplace accident rates have doubled in the past 10 years in Alberta and immediate action is needed to make the workplace safer.

The second tabling is a copy of the May Week Festival calendar of events taking place in Edmonton from April 27 to May 9.

Thank you, Mr. Speaker.

MR. MASON: Mr. Speaker, I'm tabling today a letter from the *National Post*, the contents of which may be in violation of the province's fair trading legislation.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I would like to table for the information of the Assembly a report from the Pembina Institute for Appropriate Development entitled A Smart Electricity Policy for Alberta. This is an interesting read because it stresses energy conservation and efficiency. It is one of the cheapest sources of new electricity supply in Alberta.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. I have two tablings today. The first is five copies of a letter from Mr. Eduard Zambo, a resident of Edmonton-Rutherford. Mr. Zambo is concerned about how the government determines the number of moose allocations in the province. I'm also tabling copies of replies Mr. Zambo received from the former Member for Edmonton-Rutherford, Mr. Wickman.

My second tabling is five copies of A Smart Electricity Policy for Alberta: Enhancing the Alberta Advantage by the Pembina Institute for Appropriate Development. The report is authored by Andrew Pape-Salmon in collaboration with Robert Hornung, Rob Macintosh, and Tom Marr-Laing.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I was pleased to attend the annual general meeting of the YWCA of Edmonton last night, and I'd now like to table five copies of their 2000 annual report.

Thank you.

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

MR. BONNER: Thank you, Mr. Speaker. With your permission I would like to table the appropriate number of copies of a program for volunteer appreciation which was held last night and which I attended at Rosslyn Place seniors lodge.

Thank you.

THE SPEAKER: Hon. members, pursuant to section 61(1) of the Freedom of Information and Protection of Privacy Act I'm pleased to table with the Assembly the financial statements as at March 31, 2000, of the office of the Information and Privacy Commissioner.

head: **Introduction of Guests**

MRS. McCLELLAN: Mr. Speaker, I'm pleased to introduce to you and through you to members of the Assembly Mr. Dean Lien, the Alberta Farmers' Advocate. The Farmers' Advocate has a long and proud history as a resource for farmers in our agricultural community in our province. Mr. Lien is seated in the members' gallery, and I would now ask him to rise and receive the very warm welcome of this Assembly.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and through you to all

members of the Assembly 23 special guests from the Milo community school. They were up long before many of us were awake this morning to get on a bus to be up here. Three of our 23 guests today are from our colleague the Minister of Learning's riding in the Siksika Nation. By the way, our Premier has an honorary title with the Siksika Nation, Ootsqui Piks, which means "bluebird." The other 14 are from Milo community school, and with them today are their teacher, Miss Branigan, and helpers from the community, Marianne Armstrong, Yvonne Umsheid, Sheryl Sletto, Mrs. Twyla Thompson, and Mrs. Dorothy Way, who is also the town administrator. I would like them to now rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MR. LOUGHEED: Thank you, Mr. Speaker. I am pleased today to introduce 46 students from Win Ferguson school in Fort Saskatchewan. They're accompanied by teachers Miss Joanne Hadley, Mrs. Pat Sprague, Ms Erin Bascello and also helpers Jennifer Kakoschke, Irene Freeman, Mark Parrish, Linda Sarchuk, and Cindy Houghton. They're in the public gallery, and I would ask that they rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

REV. ABBOTT: Thank you, Mr. Speaker. I am delighted to introduce to you and through you to all the Members of this Legislative Assembly some longtime friends. There's a couple here named Ray and Lynda Enarson. They operate a turkey farm. It's actually in the riding of the hon. Minister of International and Intergovernmental Relations. With them are three very special students. They are kind of being rewarded today. They are in the enrichment class of the Rosebrier school, grade 7. Their names are Madelyn Enarson, Adrian Tinis, and Gregory Johnson. I'd ask if the five of them would please rise and receive the traditional warm welcome of the House.

MR. LUKASZUK: Mr. Speaker, it's indeed an honour to introduce to you Ms Halina Madey, who is accompanying today the ambassador of Poland and sitting in the members' gallery. Ms Madey is the vice-president of the Canadian Polish Congress, representing approximately 100,000 Albertans of Polish origin. I would encourage you to extend your warm welcome to Ms Halina Madey.

Thank you.

1:40

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

DR. PANNU: Thank you, Mr. Speaker. It's an honour for me to introduce to you and to all members of the House a longtime friend of mine and a constituent who is seated in the public gallery today. When I'm out door-knocking and meeting folks in my constituency of Edmonton-Strathcona, many times I'm joined by Anita Kamal. She and her husband, Ted, are hardworking, dedicated volunteers, and I'm delighted that Anita is able to join us today. I'd ask her now to rise and receive the warm welcome of the Assembly.

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

MRS. O'NEILL: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to members of this Assembly Leone and Paul Cardinal, who are in the members' gallery. Leone and Paul are

longtime residents and very strong and spirited community members of the city of St. Albert. Mr. Cardinal is also the owner and operator of two Dairy Queens in Edmonton, and certainly it's summertime, time to think about their treats. With that, I'd ask them to please stand, and if everyone would give them the warm welcome of this Assembly.

head: **Statement by the Speaker**

Admissibility of Questions

THE SPEAKER: Hon. members, before calling on the Leader of the Official Opposition, I'd like to make a brief statement with respect to the rules governing the admissibility of questions during question period.

Over the past few days the chair has had to intervene on a number of occasions in the Oral Question Period because the nature of the question posed has either violated or come close to violating the rules of this Assembly. In these early days of this session the chair would like to ensure that the First Session of the 25th Legislature begins on the right tone.

The chair would like to highlight for all members the following guidelines for question period. They're outlined in the *House of Commons Procedure and Practice* at pages 426 to 427.

A question should not

- be a statement, representation, argument or an expression of opinion;
- be hypothetical;
- seek an opinion . . . legal or otherwise . . .
- make a charge by way of a preamble to a question.

The chair would also like to refer members to *Beauchesne* paragraph 409(3), which states that a question "must not suggest its own answer, be argumentative or make representations."

In recent days there have been a number of questions which have been hypothetical. There have also been questions which have made charges based on legal interpretations. It is clear that questions which seek legal interpretations are not permitted. To use preambles in questions that contain legal interpretations which in some way require the rebuttal or confirmation of that legal interpretation is equally objectionable. In other words, members cannot seek to do indirectly that which is not permitted directly.

Once again the chair would caution members in the way they frame their questions and encourage members to review my memorandum of April 11 and the guidelines for Oral Question Period which are outlined in the *House of Commons Procedure and Practice* at pages 424 to 431 and *Beauchesne* paragraphs 407 to 414.

The chair realizes that question period is the time when the Assembly receives most of its attention, and this simply underlines the importance of members observing the rules of this Assembly to ensure the dignity and respect of this institution are maintained.

head: **Oral Question Period**

THE SPEAKER: The hon. Leader of the Official Opposition.

Supplementary Supply

DR. NICOL: Thank you, Mr. Speaker. This is the second year in a row that supplementary supply has topped the \$1 billion mark. The Auditor General has pointed out that additional funding leads to increased expectations by departments of further funding in the future. My questions are to the Premier. What steps has the government taken to factor in such increases and to prevent those expectations?

MR. KLEIN: Well, Mr. Speaker, as you know, this government is committed to three-year business plans, and all expenditures are commensurate with the details outlined in those plans.

THE SPEAKER: Hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier. The question dealt with: what are you doing to prevent the expectations of additional funding leading to a continued expectation that those supplementary supplies, the additional dollars, will be an ongoing type of process, part of your planning process?

MR. KLEIN: Mr. Speaker, relative to supplementary requisitions there was an anomaly this year, in 2001, as there was in 1997. Simply we had to requisition those funds to pay the bills in the absence of a budget. Now that we're down to the normal four- or perhaps five-year mandate of this government and the ability to bring in a budget year after year, the ability to bring in three-year business plans and update those plans, there shouldn't be a need for supplementary requisitions in the future, at least not as long as the mandate of this government runs.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. To the Premier again: given what you just said, that we should not be expecting these kinds of increased supplementary expenditures or increased requisitions, why do we have an \$813 million cushion in the budget this year?

MR. KLEIN: Well, it's been the practice of this government through prudent fiscal management to budget for cushions to accommodate the unexpected, Mr. Speaker, so we won't have to do precisely as the hon. member alludes to, and that is come back and ask for a special warrant, or a special requisition.

THE SPEAKER: Second main question. The Leader of the Official Opposition.

Energy and Utilities Board

DR. NICOL: Thank you, Mr. Speaker. My questions again are to the Premier. The Premier has had two weeks since the past question on the role of the Alberta Energy and Utilities Board in protecting Alberta consumers. Has the Premier asked the Alberta Energy and Utilities Board why they did not act to protect Albertans from the risk of high price increases last fall?

MR. KLEIN: Mr. Speaker, I'll defer to the hon. Minister of Energy, but indeed I did receive a briefing on the situation vis-a-vis the responsibility of the Alberta Energy and Utilities Board to assess a particular application from two perspectives: one is to make sure that there's a reasonable rate of return to the corporation and, secondly, that there is reasonable protection for the consumer.

I'll have the hon. minister respond.

MR. SMITH: Thank you. The matter, Mr. Speaker, is before the board now. They are hearing final arguments and will be bringing forth a decision reflecting the pricing differential of last year in due time.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Are they prepared to table

this report in the Legislature and distribute the results and the impact to Albertans so they can understand why that failure happened?

MR. SMITH: Mr. Speaker, all decisions of the AEUB are made public. They're available on the web site, and if it helps the Assembly and the opposition, I'd certainly personally bring a written copy here and table that report.

DR. NICOL: Again to the Premier, please, Mr. Speaker: given the failure of the Alberta Energy and Utilities Board last fall, should Albertans forget about the AEUB protecting their interest and enter into their own risk management in the future?

MR. KLEIN: Well, Mr. Speaker, the Alberta Energy and Utilities Board is set up to provide a reasonable amount of protection for consumers and a reasonable rate of return for the corporations involved in supplying energy, whether it be electricity, oil products, petroleum products, or natural gas. That will always be the function of the board. I think the hon. minister has pointed out that the board takes this responsibility very seriously on behalf of both the suppliers and the consumers.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Ellerslie.

Swan Hills Waste Treatment Facility

MS CARLSON: Thank you, Mr. Speaker. In 1996 the Premier said that the government was

out of the business of loans, guarantees, and investments to business . . . From now on if any one of these kinds of deals are to be made, they must be made right here in the Legislature and before the eyes of the public.

Section 49.1(2) of the Financial Administration Act states that the government may not "purchase shares" or

enter into a joint venture or partnership unless that transaction . . . [is] specifically authorized by or under

(a) an Act, or

(b) a subsisting regulation that was in force . . . before the commencement of this section.

My questions are to the Premier. Does the Premier stand by his comments from 1996?

1:50

MR. KLEIN: Yes, I stand by those comments. I think I know where the hon. member is heading on this particular issue. She's probably going to allude to the Swan Hills waste treatment plant. The situation relative to that plant is somewhat different, Mr. Speaker, and I can assure the hon. member before she asks the question that we're working as diligently as we possibly can to find a buyer for that plant.

MS CARLSON: Well, then, Mr. Speaker, will the Premier confirm that the government's involvement with that plant is not exempt from any of the terms of the Financial Administration Act?

THE SPEAKER: It was just a few minutes ago that I made a statement with respect to legal interpretations. Please proceed with your third question.

MS CARLSON: Mr. Speaker, then, will the Premier table the copies of all documents relating to its reacquisition of the plant and finally bring this deal before the members of this Assembly and the people of Alberta and include in that tabling the information about the compliance or noncompliance with the Financial Administration Act?

MR. KLEIN: Well, first of all, Mr. Speaker, I would have to consult with the hon. Minister of Environment, but I can't see why that information ought not to be made public. That is the information relative to why we got the plant back and why we're in the position that we are today. I will have that discussion with the hon. Minister of Environment.

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

Negative Option Billing

MR. MASON: Thank you, Mr. Speaker. Recently my family received a letter from the *National Post* newspaper stating that starting next month \$10 per month would be deducted from my wife's bank account for a newspaper subscription she did not agree to pay for. I tabled that letter earlier today. This appears to be negative option billing, which is prohibited by the province's Fair Trading Act. To the Minister of Government Services: what steps will the government take to put a stop to this example of negative option billing?

THE SPEAKER: The hon. minister.

MR. COUTTS: Thank you, Mr. Speaker. The Member for Edmonton-Highlands is stating the facts in this case. After the documentation that he provided in his tabling earlier today and the courtesy call that he gave to me and my department giving us a heads-up on this particular issue, we have determined already in a call to the *National Post* and to the *Edmonton Journal* – the Fair Trading Act in Alberta is in effect, and it would appear that this is a case of negative option sales and that there would be offences under the Fair Trading Act of Alberta.

Mr. Speaker, I'd like to table for the Assembly and for the information of all members of the Assembly as well as the public the Fair Trading Act and what it has to say about negative option billing and negative option sales.

THE SPEAKER: Hon. minister, please. It was this Assembly that passed the act. It's really not required to table the document in the Assembly.

Please proceed.

MR. MASON: Thank you, Mr. Speaker. Can the minister please indicate how widespread this kind of marketing practice is – and I appreciate very much his response – and how many companies are engaged in it?

MR. COUTTS: This is the first indication that we've heard, Mr. Speaker, of this particular case of negative option billing, but let me tell you that we could hear more of it in the future. Let me point out that sections 20 and 23 of the Fair Trading Act say that it is not an offence to provide goods or services to consumers as part of a free trial offer but that it is an offence to offer goods or services to a customer when they do not request that good or that service. So anyone that receives this letter is not liable to pay at this particular time. But it does make it an offence to supply goods and services to a consumer using negative option practices, which are laid out.

So as assurance for the people out there, our consumer services branch will be continuing to investigate this issue and will be meeting with the *Journal* and the *National Post* to try and resolve this situation.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker. In light of the minister's satisfactory response to my questions I don't need my third supplementary.

THE SPEAKER: The hon. Member for Drayton Valley-Calmar, followed by the hon. Member for Edmonton-Mill Woods.

Drought Assistance

REV. ABBOTT: Thank you, Mr. Speaker. We have had a beautiful winter. That's not an opinion; that's a fact. I think I had to shovel my driveway only about three or four times all winter. Unfortunately, what is welcome to one is not always welcome to another. The farmers of Alberta are facing a possible drought in the year 2001. My question is to the hon. Minister of Agriculture, Food and Rural Development. Hon. minister, Alberta is currently experiencing very low levels of precipitation and ground moisture. Farmers entered the fall of 2000 with dry soil and empty dugouts, and the lack of snowfall this winter has many of them very concerned with how they're going to provide enough moisture to their crops and livestock. My question to the minister is: have you toured the potential drought areas and seen the severity of this situation, and if so, what steps is the government taking to help farmers who are facing potentially one of the worst droughts in decades?

MRS. McCLELLAN: Mr. Speaker, the hon. member is absolutely correct. We had relatively low snowfall in most of the province this winter. We've had very low rainfall, again in most of the province, this spring. We were fortunate some two to three weeks ago to get a very heavy snowfall in the mountains, which helped our reservoir levels somewhat. It didn't bring them even to a minimum level but did help.

Have I toured the area? Actually, Mr. Speaker, I live in it, so I drive through it quite often. Living where I do, I can take many routes to the city, and I often do. However, the issue is more widespread than the south, and there are areas of northern Alberta that have problems. We have a lack of moisture now which is affecting dugouts, in some cases wells on groundwater depletion. To respond to that, about March 29 we made an announcement reducing the rates for a water pumping program that we have in place, and because it was before the Assembly came together, I have provided some copies that I'll table with the Assembly.

As for the continuing concern of weather, Environment Canada tells us that we're going to have perhaps above normal precipitation. We'll wait and see.

THE SPEAKER: The hon. member.

REV. ABBOTT: Thank you, Mr. Speaker. I'm sure that the water pumping program will help some producers, but many of the farmers in my constituency of Drayton Valley-Calmar as well as in neighbouring constituencies are telling us that the water pumping is not a viable option for them because of a lack of surface water available. My question to the same minister is: what is the Alberta government doing to assist farmers who cannot take advantage of the water pumping program?

MRS. McCLELLAN: Mr. Speaker, there are a number of things that we can do to assist and are doing. We do have the PFRA, which has a long history in this province in water management, the Prairie Farm Rehabilitation Administration. They have some programs of assistance, and we are certainly putting people in touch with them. Our district offices have specialists who can work with producers on

means of conservation and utilization of the best practices for conserving water.

One of the other things that we're fortunate about in this province is that in some areas we've had water co-ops develop. We have reservoirs and systems that we can pump from.

We've been working with Alberta Environment, Alberta Agriculture, Food and Rural Development, and PFRA to look at an overall drought strategy, because Alberta is subject to these changes in weather. I would encourage any producers here who are having those specific problems to contact their district offices or indeed our office or the MLA offices, and we'll put them in touch with the people that are able to help them.

THE SPEAKER: Hon. member, please, no preamble.

REV. ABBOTT: Thank you, Mr. Speaker. My second supplemental question, again to the same minister: I understand that an irrigation fuel rebate is being planned, but how is drought assistance specifically dealt with in Budget 2001?

2:00

MRS. McCLELLAN: Mr. Speaker, there is of course the opportunity for irrigation farmers to use the rebate on the fuel or natural gas for pumping purposes over the four months of the pumping time. Budget 2001 has some drought alleviation initiatives in it. One is the crop insurance, the safety net program. One is the water pumping program.

It's very difficult to forecast in April a drought. So, Mr. Speaker, the commitment of this government is that we'll monitor this situation, and we'll respond accordingly.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Shaw.

School Utilization Formula

DR. MASSEY: Thank you, Mr. Speaker. An arbitrary space/use formula imposed by the government is forcing the closure of schools across the province. In some cases the loss of a school may mean the loss of a community. My questions are to the Minister of Infrastructure. Given that the Minister of Learning tells us there now is money to reduce class sizes and thus more classrooms will be needed, will the utilization rates of districts with small schools now be adjusted?

MR. LUND: Well, first of all, Mr. Speaker, the government does not close schools. That is a function of the board. That is the jurisdiction of the board. The reason that we look at the utilization, as I mentioned once before in this House, is that it is extremely important. If there is an opportunity to increase the utilization of a building, your percentage spent on things like operation and maintenance and utilities is much lower, and therefore you can put more money right into the classroom so that the children have a better opportunity to learn. Really, that has got to be our primary objective, that we increase the opportunity for young people to learn.

DR. MASSEY: I'll try it again, Mr. Speaker. Given that reducing grade 1 classrooms to 17 students could require one new classroom for every three or four that are now in operation, has the government asked school boards for class size reduction space needs? Have you asked them how much space they're going to need to reduce class sizes?

MR. LUND: Well, Mr. Speaker, I think it's fair to say that we've recognized that some of the formula that is currently being used for

capacity needs to be revisited, and we are doing that currently. I personally would like to see us move from looking at so many pupils in a classroom to, rather, a certain amount of space for a student. Of course, that's going to vary depending on whether it's elementary, junior high, or senior high. So that, in fact, would address some of what the hon. member is talking about.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. Again to the same minister: will the government truly respect local decision-making by allocating school boards block funding for school construction so that they can make the decisions?

MR. LUND: Well, Mr. Speaker, I'm not sure what he means by block funding. I think it's extremely important that we work with school boards and we will work with school jurisdictions to make sure that we are, in fact, using taxpayers' dollars to the best advantage. As I said earlier, it's really important that we look at the function of the school and how it is affecting the ability or the opportunity for children to learn, because that has to be the end that we are aiming at: how do we get the best for the child?

THE SPEAKER: The hon. Member for Calgary-Shaw, followed by the hon. Member for Edmonton-Riverview.

School Funding

MRS. ADY: Thank you, Mr. Speaker. My question is to the Minister of Learning. This week the Alberta government infused an additional \$848 million over three years into education. In addition to the 3.5 percent increase in the basic instruction grant, this government also gave school boards an envelope of funding to address teachers' salaries. Can the minister explain the rationale behind targeting funding specifically for teachers' salaries?

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. As everyone in this Assembly knows, we just went through a rather long and extensive consultation process with Albertans called the general election. I'm sure everyone in here heard very similar concerns from the people of Alberta about class size, about classroom issues. As a matter of fact, the Alberta Teachers' Association even put out \$250,000 for an ad campaign to raise the issue of class size and classroom issues. Budget 2001 addresses that.

The other concern that I heard during the election campaign as well is that the people of Alberta, myself included, wanted teachers to be compensated fairly. Mr. Speaker, we have put \$135 million into compensating teachers fairly. We put in another \$115 million the first year – the first year – to ensure that boards had the flexibility to deal with classroom issues such as class size, such as literacy, such as numeracy, all these other issues that I heard, that you heard, that everyone in this Assembly heard throughout the last election campaign.

MRS. ADY: My second question is also to the Minister of Learning. Can the minister explain what the basic instruction grant dollars can be used for?

DR. OBERG: Yes, certainly, Mr. Speaker. In the basic instruction grant we increased the grants by 3.5 percent. This makes it roughly \$115 million this year, \$225 million next year. These dollars allow

the school board to deal with issues such as I just mentioned – class size, literacy, numeracy – but they can also use these dollars for teachers' salaries. The bottom line is that they can use these dollars for what they feel are the most important needs in their school jurisdiction.

MRS. ADY: My final question is again to the Minister of Learning. In this Assembly the minister has spoken about programs such as the Alberta initiative for school improvement, or AISI. Will and can we count on the AISI grants being continued in spite of this increase in spending?

DR. OBERG: The short answer to that is absolutely yes. The Alberta initiative for school improvement program has been an incredibly successful program and continues to be an incredibly successful program. We have 760 different initiatives around the province on how to improve schools. The \$68 million per annum will continue, those dollars will continue, and I look forward to great results from the AISI.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Innisfail-Sylvan Lake.

Magnetic Resonance Imaging

DR. TAFT: Thank you, Mr. Speaker. Under the minister of health's parallel private/public system of MRI service delivery physicians determine whether a patient's need for an MRI is urgent or not. If the physician determines the case is urgent, then the public system will pay for the MRI, but if the physician determines that the case is not urgent, the patient may face a long delay and be encouraged to pay out-of-pocket costs at a for-profit clinic. To the minister of health: will the minister ensure that private MRI clinics charge no more to private customers than they charge the public system, thereby eliminating any possible incentive for physicians to direct patients to their own for-profit MRI clinics?

MR. MAR: Mr. Speaker, I think that it's appropriate that physicians make decisions on a medical basis, not based on anything else.

I want to point out, Mr. Speaker, that by December 2001 the province of Alberta will be going to a scan rate of 24 per 1,000. That will be the highest scan rate in the country. That will represent roughly 73,000 scans. That compares with the 20,000 we did three years ago, the 30,000 we did two years ago, some 45,000 that we're going to be doing this year. So it will be a dramatic increase brought about as a result of working with radiologists, working with physicians to determine that this is an appropriate scan rate and the appropriate investment by the provincial government in purchasing new publicly funded MRIs.

2:10

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Through the minister's unclear answer, perhaps, I'm wondering once again if his department will take safeguards to ensure that there are no financial incentives for patients to be steered to for-profit clinics.

MR. MAR: Mr. Speaker, we have a great deal more faith in physicians than the hon. member does.

DR. TAFT: Would the minister, then, confirm that there is a possibility of for-profit motives entering doctors' decisions on patient care?

MR. MAR: Mr. Speaker, the same answer as to the previous question.

THE SPEAKER: The hon. Member for Innisfail-Sylvan Lake, followed by the hon. Member for Edmonton-Gold Bar.

Electricity Costs

MR. OUELLETTE: Mr. Speaker, much has been said about the increase in electricity prices in Alberta. This morning a report was released by the Parkland Institute comparing the costs of electricity in Alberta and B.C. My first question is to the hon. Minister of Economic Development. Has the rate of business failures increased in Alberta as a result of increased electricity costs?

THE SPEAKER: The hon. minister.

MR. NORRIS: Well, thank you very much, Mr. Speaker. My dear mother always told me that when somebody criticizes you, consider the source, and knowing what I know about the Parkland Institute, that's about as much respect as I'll give that question.

However, with regards to the question about electricity affecting business, I must tell you, Mr. Speaker, that we are concerned about that. The Alberta advantage is paramount to our business plan, and when anything impacts the Alberta advantage, we look at it very closely. As all hon. members know, part of the cost of any supply is the demand for that supply. We're victims of our own success in that Alberta has a white-hot economy, and demand for the supply has gone through the roof. As a result we are looking at that very closely. But I must tell you that Calgary, the great city to the south, has been rated number 2 for growth in all of Canada, and Edmonton, the great city we are currently in, has been rated number 1.

In answer to the hon. member's question, electricity supply and the cost of it are very important to us, but it doesn't appear to be affecting the economy. In fact, it seems to be much better.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. member.

MR. OUELLETTE: Thank you, Mr. Speaker. My second question is to the same minister. What evidence does the minister have of increased business activity in spite of increased electricity costs?

MR. NORRIS: Thank you for the question. I have a lot of very substantial evidence, Mr. Speaker, of outstanding growth. Certainly 5.6 percent growth in the year 2000. There's another prediction of 4 and a half percent GDP growth in the year 2001. The number of business incorporations is significantly up. The number of business incorporations as opposed to bankruptcies is now at a 17 to 1 ratio, which is the envy of the nation.

I can tell you that I was very fortunate just recently, an hour and a half ago, to be at a function where a company – am I allowed to mention the company, Mr. Speaker? – by the name of YottaYotta had a grand opening. That company, I am very, very pleased to report, chose Edmonton over five other cities, four of which were American cities. They chose Edmonton – I had a wonderful chat with the president – because of Edmonton's and Alberta's outstanding vision and growth. It's a wonderful place to do business.

I'd like to turn it back to the hon. the Premier.

THE SPEAKER: No. We don't work that way.
The hon. member.

MR. OUELLETTE: Thank you, Mr. Speaker. My third question is to the hon. Minister of Energy. Does the minister know the estimated impact of electricity deregulation on Alberta's economy?

MR. SMITH: Mr. Speaker, we do know that a competitive marketplace occupies now an efficient marketplace for 75 percent of the electricity sold in Alberta. We know that there are consumers that make up the remaining 25 percent we're working with. We need to move and find new and easier solutions that drive down the rates of power.

Mr. Speaker, one is, of course, more power: more power like the 80 megawatts announced last week by TransCanada; the 80 megawatts announced by PanCanadian Petroleum; the over 600 megawatts that were announced for 2000 in distributed generation and cogeneration; the tremendous jobs; the investment that that creates.

I think that when you compare the investment profile of this province to the investment profile of the province next door that's going to an election, there's a tremendous amount of difference. This province has surpassed the gross domestic product of that province with 700,000 fewer people, Mr. Speaker. There are 25 percent less people.

To talk more about the specific differences of government, there are others that are going to comment.

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

Supports for Independence

MR. MacDONALD: Thank you, Mr. Speaker. To quote Delbert McClinton: many people worry about being rich and skinny but wind up poor and fat. Unfortunately, the poor in Alberta do not have that luxury because of our low SFI rates. My first question this afternoon is to the Premier. Why is the Premier forcing the poorest of the poor in this wealthiest of provinces to have to wait until the budget year 2002 before they will see even a pittance added to their welfare rates?

MR. KLEIN: Mr. Speaker, "a pittance." First of all, there's no such thing in this province as welfare rates. We have as a matter of policy a change in name from welfare to supports for independence, and it means exactly that. We've always said in this province that we will do what we possibly can to protect those who truly need our help in society, those who cannot work. We have Aids to Daily Living. We have assured income for the severely handicapped. We also said that for those who want a hand up rather than just a handout, we will do all we possibly can. We will provide a reasonable degree of subsistence. We will provide numerous additional programs to get people back into the workforce through skills upgrading and job retraining. We will offer subsidies for education and subsidies for day care. We will look after the essentials of life such as health care premiums and Blue Cross premiums and other unexpected expenses. But the philosophy of this government – and believe me, most jurisdictions believe in what we're trying to do philosophically and from a policy point of view – is to get people away from the dependence of welfare and back into the workforce and to become productive citizens.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier. Given that a key issue identified by the social economy sector at the Alberta growth summit in 1997 was to improve our quality of life, Albertans must have an active and meaningful participation in the decision-making process. Will the hon. Premier please allow

recipients of SFI, or welfare, to be part of the review of the very rates that they depend on for their family income?

Thank you.

MR. KLEIN: Mr. Speaker, I'd be surprised if they weren't part of the review. The hon. minister is not with us today to respond, so I will take the question under advisement and provide the hon. member with a response.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier. Given that natural gas rebates are to expire any day soon and energy costs are so high, can the hon. Premier, please, instead of waiting until next year to increase SFI or welfare rates, do it whenever the weather turns cold again, perhaps as soon as September?

Thank you.

2:20

MR. KLEIN: Well, Mr. Speaker, it's not true. Yes, the current rebate program, the rebate program on natural gas that provided each and every household consumer with \$150 a month from January through to the end of April, comes to an end, and the \$6 a gigajoule program that provided relief to farms, institutions, businesses and so on, that comes to an end, but as of July 1 a new program kicks in that is geared to the anticipated price of natural gas. As you know, the electricity rebate goes until the end of this year. At that time, it will be reviewed.

This gives me an opportunity to also comment on the Parkland Institute study. I'm sorry, Mr. Speaker.

THE SPEAKER: You'll have to find another opportunity.

The hon. Member for Edmonton-Strathcona.

Judicial System

DR. PANNU: Thank you, Mr. Speaker. The long delays in Alberta courts are causing unnecessary hardship to victims and their families and are creating the risk that charges might be dismissed because of the delays. Underscoring the seriousness of this problem, Justice Gary Cioni made the following statement in a Calgary courtroom last week: there's going to come a point where charges are going to be dismissed because of institutional reasons. To the Minister of Justice. Does the minister share Justice Cioni's concern, and will he outline what these institutional reasons are or might be that are responsible for these delays?

MR. HANCOCK: Well, Mr. Speaker, of course, we would always be concerned if charges were dismissed because of institutional delay or for any other reason other than an appropriate hearing within an appropriate time. We would be concerned about that type of delay and that type of a reaction to delay by the courts. In fact, we've seen the length of time to trial in our provincial courts being reduced year over year, so we don't anticipate that type of a problem.

We're certainly trying to improve the time to trial by bringing in new programs, such as our early case resolution program, which was the subject of a very successful pilot project in Edmonton. We've shortened the time to trial. One of the ways we're doing that is by hiring seven new Crown prosecutors to look at files early and determine what files can be taken to an early resolution. We have an early resolution court, and that project has been expanded across the province. All of these are administrative processes that we're taking into account, which are aimed directly at getting cases to trial that need to go to trial as early as possible.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. I thank the minister for taking the questions seriously, but I have a serious concern here. In his own business plan there is something stated here which I hope that he is aware of . . .

THE SPEAKER: Let's get to the question, hon. member.

DR. PANNU: Yes, Mr. Speaker. The business plan says that the department is trying to match the national median time with its delays. The national median time is 84 days. Our median time in 1999 was 80 days. Is the minister in agreement with the business plan?

THE SPEAKER: Hon. minister, please recognize that we're having a debate on the budget as well and the business plan. This is the question period.

MR. HANCOCK: With that admonishment, Mr. Speaker, I would say that this is something that would be appropriate to be discussed during estimates, and I thank the hon. member for pointing out something which is a very appropriate concern to raise.

We try and have appropriate standards to measure success, but some of our statistics are quite frankly too old; 1999 numbers are not appropriate anymore, so we're working very hard to be able to get statistics and across-country statistics which are more current. At our last meeting of ministers of justice in Nunavut in September we addressed this question and asked – I forget the name of the institute, but it's the national institute which deals with criminal justice statistics – if there couldn't be a process whereby we could have the crime rate earlier, have the rates across the country earlier for comparison purposes. So one of the reasons why we're aiming at the national median, which is lower than what we already have, is that we expect the national median to be much lower than it currently is in those old statistics.

DR. PANNU: Mr. Speaker, I just want to seek the assurance of the minister that he will recommend that his department drop the national median as a guide if the national median happens to be higher than the provincial median.

MR. HANCOCK: We're only aiming to get better, Mr. Speaker.

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

Organized Crime

MR. RATHGEBER: Thank you, Mr. Speaker. Recent gang-related murders, shootings, and firebombings in southeast Edmonton have prompted concerns among all Edmontonians and all Albertans about their safety. They fear for themselves and for their children, who might tragically end up in the line of fire. My question is to the hon. Solicitor General. What is being done to protect innocent Albertans from these gang members who seem to have so little regard for human life?

MRS. FORSYTH: Mr. Speaker, let me say clearly that these shocking crimes have no place in Edmonton and they have no place in Alberta and actually they have no place in Canada. We as a government will not stand idly by and let these criminals steal our sense of peace and well-being. We believe our communities are safe

places to live, they're safe places to work, and they're safe places to raise our families. Alberta has the lowest crime rate in western Canada.

There are three ways the department is going right now to keep Alberta safe. First, we are targeting organized crime; secondly, we are addressing serious and violent crime; and thirdly, we are playing a strong role in encouraging the federal government to toughen up youth justice legislation.

THE SPEAKER: The hon. member.

MR. RATHGEBER: Thank you, Mr. Speaker. These recent shootings are a visible indication of the growing problem of organized crime in Alberta. Outlaw motorcycle gangs are now established in Alberta along with other crime organizations. Through you to the hon. Solicitor General: what is being done to fight the serious threat of organized crime in Alberta?

THE SPEAKER: The hon. minister.

MRS. FORSYTH: Thank you, Mr. Speaker. The Alberta government takes the threat of organized crime very seriously. Under the provincial organized and serious crime strategy the department provides \$2.4 million annually to the Criminal Intelligence Service, commonly known as CISA. Since 1998 CISA's joint-force operations have resulted in numerous criminal charges against key figures in organized crime, one of which I was a part of two weeks ago, Operation Shadow, which was a very successful operation in Calgary. We remain confident that the police are doing everything they can to investigate these crimes and bring justice.

THE SPEAKER: Hon. member, without a preamble this time, please.

MR. RATHGEBER: Thank you, Mr. Speaker. Because of these recent shootings and the increasing gang activity and organized crime in general, many Albertans feel less safe. What does the Solicitor General have to say to these Albertans?

MRS. FORSYTH: Mr. Speaker, the crime rate in Alberta is decreasing. Again, Alberta has the lowest property and violent crime rates in western Canada. There has been a drop in youth crime. While it's good to see that the crime rates are going down, we can't become complacent. The Solicitor General will continue to work with partners in policing, the judicial system, and the communities to reduce crime in Alberta.

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

Water Quality Testing

MR. BONNER: Thank you, Mr. Speaker. One of the key concerns expressed by municipal officials at the recent convention of the Alberta Association of Municipal Districts and Counties was the sustainability of the quality and quantity of Alberta's water supply. An important part of protecting water quality is the government's support of water quality monitoring and testing. In May of this past year the government was approached at the standing policy committee on agriculture, environment, and rural affairs to get out of the business of being in the business of water testing. My questions today are to the Minister of Municipal Affairs. What is the status of the government's plans for increased private testing of Alberta's water supply?

THE SPEAKER: The hon. minister.

MR. BOUTILIER: Well, thank you, Mr. Speaker. The hon. member raises an important issue, I believe, that's important to all Albertans in terms of the quality of water that we all enjoy and certainly we don't take for granted. But both my colleagues the ministers of Environment and Agriculture, were working in partnership on this important initiative, and I wish to inform this House that as soon as we get our findings back, we'll be reporting back to this House.

THE SPEAKER: The hon. member.

2:30

MR. BONNER: Thank you, Mr. Speaker. My second question is also to the Minister of Municipal Affairs. What level of increased costs should municipalities be budgeting for in the face of more responsibility for water testing?

MR. BOUTILIER: Again, the prime objective here is safe drinking water, and we will not in any way jeopardize that principle of safe drinking water. Working again with municipalities, we are endeavouring to ensure that, number one, that principle is achieved, which it is being achieved, but also the importance of working together with our municipalities, which I'm very proud to say is continuing each and every day.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. Again to the same minister. Will the minister make a commitment to Alberta's local governments that they will not face increased costs for testing their public water supply?

MR. BOUTILIER: Mr. Speaker, the member raises an important point, and it is that of the partnerships. Really a partnership is about: what can we do for you that you can't do, and also, how do we work together in helping each other? We're endeavouring to do that. I'm going to be meeting with municipalities across this province, and as we continue to do that, I'm going to be listening very closely to what municipalities have to say and their feedback.

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

Calgary Courthouse

MS GRAHAM: Thank you, Mr. Speaker. Increasingly I am questioned by various people working in the judicial system in Calgary, including constituents of mine in Calgary-Lougheed, about the progress of the long-awaited consolidated courthouse in Calgary, which has been in the works for as long as anybody can remember. The fragmented system of courts has 54 courtrooms found in six separate buildings spread out over downtown Calgary. With ATCO trailers soon to be used for criminal proceedings and the Court of Appeal Building shut down recently due to toxic mould, there is no room for expansion. Technology is outdated, and there is duplication and inefficiency and inconvenience and confusion caused to the users of the courts. Clearly, Calgarians are not being well served. My questions this afternoon are to the Minister of Justice. In that one of the core businesses of Alberta Justice is to provide Albertans with access to courts, can the minister advise if there is a commitment by this government to proceed with the building of a new Calgary courthouse?

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

MR. HANCOCK: Well, thank you, Mr. Speaker. We have been working very diligently with Infrastructure, which of course is responsible for building. Justice and Infrastructure have been working very long and hard with the courts, with the stakeholders in the Calgary community towards a resolution of the problem. It is a serious problem when we have six different facilities. We have duplication in prisoner handling services and duplication in law libraries, duplication in services. More importantly, as was pointed out by the justice summit, access to justice and access to the courts by Albertans needs to be simplified. There needs to be a straightforward process, and access needs to be improved.

So, yes, we're working very diligently on resolving the problem. It's not a simple problem. Because of the process and the way the courts have built up over the years in Calgary and the way it's developed, it's not an easy problem to resolve. It's not a quick resolution, but it's one that's in the works. It's one that we're working on, and it's one that we're working with the stakeholders to resolve.

THE SPEAKER: The hon. member.

MS GRAHAM: Yes. Thank you, Mr. Speaker. My second question is to the same minister. Given that the minister acknowledges the obvious need for this new facility, why is it that the project appears to have reached a complete standstill?

MR. HANCOCK: Appearances are deceiving, Mr. Speaker. The project is not in fact at a standstill. There has been ongoing development in it. There have also been ongoing problems. As the hon. member pointed out, the Court of Appeal problem surfaced in January of this year, and the Court of Appeal had to vacate the building they were in. That created some problems. We've got problems with respect to renovations of the existing building that's being used for the family and youth court in Calgary in terms of the ability to do renovations within the existing code and those sorts of issues. Those types of issues have come forward to cause some problems in the process, but we're working very diligently with Infrastructure, with the stakeholders to take this project forward.

THE SPEAKER: The hon. member

MS GRAHAM: Thank you, Mr. Speaker. My final question to the same minister. Given that even if construction for a new courthouse began today, it would take several years before the courthouse was finished, what is the minister and his department doing to solve the immediate problems of the Court of Appeal Building that's closed and the overcrowded Provincial Court?

MR. HANCOCK: Well, Mr. Speaker, we're attempting to work co-operatively with the Court of Appeal and the Court of Queen's Bench in Calgary to provide appropriate interim accommodation for the Court of Appeal. We're hoping that the facilities within the Court of Queen's Bench can be made available for courtroom facilities. We'll obviously have to locate the Court of Appeal in terms of office space elsewhere from the existing Court of Appeal Building in the interim, but we're hopeful that both of those will be interim solutions and that the long-term solution will be in place as early as possible. We're going to have to work co-operatively with all three levels of court in the interim period of time.

We're going to have to ask for some out-of-the-box thinking, quite frankly. We may have to ask for some accommodation in moving

around the court sitting times, for example. We have court facilities, Mr. Speaker, that sit empty in the summer. We should be able to use those court facilities at other times by other levels of court. We need to look at how effectively we're using our courts. The Court of Queen's Bench is being used very, very actively, and it's very, very difficult to ask them to accommodate the Court of Appeal. But I think if we all get together and use our heads and look for the opportunities, we can provide an interim accommodation and do that on a basis which will be entirely satisfactory until the final project is completed.

Speaker's Ruling Tabling Documents

THE SPEAKER: Hon. members. In a few seconds from now I'll call upon the first of four hon. members to participate in Members' Statements today, but first of all, just a brief comment with respect to one section of our Routine today, and that is the section known as Tabling Returns and Reports. It's not required that two members table the same report in the House. One tabling is quite sufficient, and I'd ask members to perhaps listen to see who has tabled what so that the next member doesn't stand up and table exactly the same report. That's simply a waste of time of the Assembly.

Might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: Introduction of Guests (reversion)

THE SPEAKER: The hon. Minister of Children's Services.

MS EVANS: Thank you, Mr. Speaker. It is a distinct honour and privilege to introduce a member of my constituency who is a former page of this House. She is seated in the public gallery. I'd ask her to rise and for us to give the traditional greeting to Erin Gurnett, who's with us this afternoon.

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

MRS. ADY: Thank you, Mr. Speaker. I'm delighted today to introduce to you and through you three young ladies from the wonderful constituency of Calgary-Shaw. They are grade 6 students at one of the few schools in the Calgary-Shaw constituency, Midnapore elementary, which also has the distinction of having my own children present at it. Their names are Jessica Berry, Heather Casson, and Alanna McInnes. They are seated in the public gallery. I would like to ask them to stand and receive the warm welcome of this Assembly.

head: Members' Statements

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

Excellence in Teaching Awards

MR. MASKELL: Thank you, Mr. Speaker, for the opportunity to speak about Alberta's teachers and Alberta's 2001 excellence in teaching awards. Alberta teachers are highly motivated, dedicated, and the best trained in this country. Their constant focus on improving student achievement shows in our results when compared nationwide. Alberta teachers are some of the most generous citizens in this province in giving their time to the life of their school outside of their classroom assignment. Their commitment to cocurricular and extracurricular activities and the exceptional amount of time

they volunteer to their community is invaluable. I believe it is most appropriate to recognize their contributions during Volunteer Week and on the eve of Education Week.

Mr. Speaker, thanks to the creation of the excellence in teaching awards program by this government in 1989, students, parents, colleagues, and community members have been given the opportunity to recognize outstanding teachers. Since the inception of this recognition program nearly 5,500 teachers have been nominated. Anyone who has ever been nominated for an award knows how appreciated and valued one feels. This year 445 teachers have been nominated across this province. From that group 131 finalists have been selected. Twenty-two teachers will be honoured with provincial certificates at a dinner and awards ceremony in Calgary on May 5, next week.

2:40

I want to congratulate all of the nominees, finalists, and the provincial certificate award winners. They are fine examples of what the teaching profession is all about. I want to thank all of the teachers of Alberta for their dedication to the education of our children.

Mr. Speaker, I would be remiss if I did not point out to the hon. members why Edmonton-Meadowlark is Alberta's premier constituency. Edmonton-Meadowlark has four of the nominees. These outstanding teachers are Zenia Nemish at Meadowlark, Bob Nerenberg and Shawn Peterson at J.P., and Magdalena Tundak at St. Justin Catholic. Finally, three of the finalists are from Victoria School of Performing & Visual Arts, a school that I've had some association with for a number of years.

Thank you, Mr. Speaker.

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

Bulk Removal of Water

MS CARLSON: Thank you, Mr. Speaker. The Alberta Council of the Canadian Federation of University Women represents six CFUW clubs in the province with a combined membership of over 400 university women graduates who are active in public affairs including health, education, environment, peace, justice, and human rights. They are affiliated with 124 additional clubs across Canada with a total membership of approximately 10,000 university women. Membership concerns led them to passing a resolution and establishing a policy that urges the government of Canada and the provincial and territorial governments to take all measures necessary to prohibit the bulk removal of water from any ecosystem.

The Canadian Federation of University Women, Alberta Council fully supports this policy and wishes to express their concerns regarding the need to protect Canada's fresh water. They do not use the word "export" as they do not condone the sale of water as a commodity. As the world's population and industries continue to grow, demand for fresh water will escalate. They believe that the transportation of water could cause a shift in the global water balance, affecting not only local, regional, and global ecological integrity but also the health of Canada's people and would endanger our communities for future generations.

Their resolutions are as follows: they urge all levels of government to

1. be an advocate for and support legislation at all government levels that prohibits the bulk removal of water from any ecosystem.
2. co-operate with other levels of government and reopen negotiations on the Canada-wide Accord of Environmental Harmonization . . .
3. seek amendments to NAFTA that include a more comprehen-

sive definition of "natural state" as it pertains to the description of water. The existing lack of clarity in NAFTA could provide a loophole through which parties could access Canadian freshwater resources. Should this occur, Canadians could find [themselves] obliged to honour long term contracts when detrimental to Canadian interests.

This issue is a serious concern for their members, and they urge all levels of government to protect the freshwater resources for all Canadians and future generations.

Calgary Courthouse

MS GRAHAM: Mr. Speaker, further to my questions earlier today to the Minister of Justice, I rise again to speak about the pressing need for a new consolidated courthouse in Calgary to bring Calgary in line with the integrated courthouses in other Canadian cities, including Edmonton, and many other towns and cities in the province of Alberta. In doing so, I hope to raise awareness about the inadequacy of the existing system of courts and why this government can't continue to delay taking action.

Mr. Speaker, proper court facilities are central to the successful administration of justice in any community and the preservation of order in any civil society. They are an important symbol to the public and inspire respect for our whole administration of justice, and they should not only be functional but should have the dignity that is appropriate to them.

In my view, Mr. Speaker, we are coming perilously close to losing the confidence of the public in our system of courts in Calgary. The facts are – and I highlighted some of these earlier. The courts are fragmented. They are overcrowded. There is duplication and inefficiency happening in the administration, and the users of the courts are not being served. It is very inconvenient, and it's very confusing. As long as I can remember – and I've been in Calgary for going on 16 years – these problems and the same situation have been existing, and it is only getting worse with the growing population being experienced in Calgary.

For a number of years there have been committees representing all three levels of court and government meeting year-in and year-out devising various concepts for improving the system. In June of 1996 a formal report was submitted for a new facility, and here we are and nothing has changed. I urge our government to give the people of Calgary a proper court facility.

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

International Day of Mourning

DR. PANNU: Thank you, Mr. Speaker. The sixth International Day of Mourning will be observed Saturday, April 28. April 28 is recognized by the United Nations and by more than 70 countries around the world as a day to remember workers killed, disabled, or injured in the workplace and workers afflicted with industrial disease. In 1991 the Parliament of Canada designated this as a national day of mourning for all those workers.

Shocking statistics released yesterday by the Alberta Federation of Labour show that workplace accidents have nearly doubled in the past 10 years and that last year alone 118 workers were killed at work. These statistics would indicate that in Alberta workplaces are becoming more dangerous and more hazardous year after year. Injuries and illnesses that occur at our places of work are a serious matter, and making these places safe is a goal that is attainable.

Employers need to know that they cannot get away with infractions to health and safety laws and regulations. Political will has to be there to prosecute employers who break the law. It's crucial that

government employers and labour unions work together to eliminate death and accidents in workplaces in this province.

I will be attending a memorial service at Edmonton City Hall this weekend to show our respect to those workers who are no longer with us. I trust some other colleagues will also be there. These Albertans deserve to be remembered.

Thank you, Mr. Speaker.

head: Projected Government Business

THE SPEAKER: The hon. Opposition House Leader.

MS CARLSON: Thank you, Mr. Speaker. I would ask the Government House Leader to share with us the projected government business for April 30 to May 3.

Thank you.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. On Monday, April 30, under Government Bills and Orders for second reading we would anticipate dealing with Bill 3, the Fisheries (Alberta) Amendment Act, 2001; Bill 4, the Surface Rights Amendment Act, 2001; and Bill 7, the Regional Health Authorities Amendment Act, 2001. Time permitting, Committee of the Whole on bills 1 and 2 and address in reply to the Speech from the Throne, day 6 of 10. Monday evening at 8 under Government Bills and Orders Committee of Supply as per the schedule tabled earlier with the House, day 1 of the main estimates and the estimates for the departments of Sustainable Resource Development and Municipal Affairs.

Tuesday, May 1, 2001, at 4:30 p.m. under Government Bills and Orders address in reply to the Speech from the Throne, second reading as per progress Monday and as per the Order Paper. Tuesday at 8 p.m. under Government Bills and Orders again in Committee of Supply as per the schedule tabled, the estimates for the departments of Infrastructure and Transportation, and as per the Order Paper.

Wednesday, May 2, at 8 p.m. under Government Bills and Orders Committee of Supply, day 3 as designated pursuant to the House leaders' agreement, the main estimates for Health and Wellness; address in reply to the Speech from the Throne; and thereafter as per the Order Paper.

On Thursday, May 3, under Government Bills and Orders Committee of Supply as designated, the main estimates for Learning; Committee of the Whole in supplementary and interim supply on bills 5 and 6; address in reply to the Speech from the Throne; and as per the Order Paper.

THE SPEAKER: Hon. members, on this Sunday, April 29, our Clerk will celebrate his 56th birthday.

head: Orders of the Day

head: Consideration of Her Honour the Lieutenant Governor's Speech

Mrs. Tarchuk moved that an humble address be presented to Her Honour the Honourable the Lieutenant Governor as follows.

To Her Honour the Honourable Lois E. Hole, CM, Lieutenant Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank you, Your Honour, for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate April 24: Mr. Vandermeer]

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

2:50

MR. HORNER: Thank you, Mr. Speaker. It's with great pleasure, pride, and excitement that I rise today to respond to the throne speech by Her Honour the Lieutenant Governor and give my maiden speech in this House.

Before I begin, Mr. Speaker, I would like to congratulate you on your acclamation as Speaker, and also to the Deputy Speaker and Deputy Chairman of Committees my sincere congratulations. I would also like to congratulate the hon. the Premier on his leadership to a resounding victory for our party as well to all members in this House on their election.

I would like to say a few words about the election we've just passed. The hon. Minister of Justice made a very interesting comment in his address to the House a few days ago. He mentioned that residents looked at the progress of the province and the local economies as a benchmark from which to judge the history of this government. The hon. member mentioned that Spruce Grove-Sturgeon-St. Albert benefited from this election, from this amazing economic activity, and indeed that is correct.

However, Mr. Speaker, the good people of the riding I represent also wanted to be a part of our team and the leadership which we had to offer. I would be remiss if I did not mention the fact that over a hundred volunteers from the riding worked very hard to see this day. They spent countless hours door-knocking with me, on signs, on mailings, and on the phone, listening and talking to the people of the riding of Spruce Grove-Sturgeon-St. Albert. I wish to publicly in this House thank them for all of their fantastic support.

For the riding that I represent, Mr. Speaker, it was a time for change, from representation in opposition to representation in government. The citizens of the riding I represent made a clear choice, and I am humbled by the trust they have placed in me.

The walls of this room have seen and heard many things in the history of the province, and upon entering here for the first time as an MLA elect, I was struck by the enormous responsibility which each of us in this room bared to the people of this province and to our constituents and our children. This is where we will be making laws that may very well affect every citizen of this great province. We must bear this responsibility with integrity, wisdom, common sense, and a desire to do what is right for this province. What we do here may well affect our children's children, and that is a responsibility that I commit to you, Mr. Speaker, and through you to all members of this House, that I will never take lightly.

The residents in the riding of Spruce Grove-Sturgeon-St. Albert elected me to represent them here in this House and at the caucus table, and this I will do. I am aware that expectations are high and challenges exist. I would like to speak to you a little bit about what I heard before the campaign, during, and some afterwards.

Mr. Speaker, energy and energy costs are on the minds of Albertans, and my constituency is no different. Her Honour's throne speech said that the government will work to ensure long-term energy for all Albertans. I spoke during the campaign about that and asked the constituents who they thought could best handle this problem. I said that the Conservative Party and its leadership was the right choice to ensure long-term, stable energy for all Albertans. Based on the results of the election, I would have to say that they agreed with me. I know that they are also happy that this was in the throne speech. We have many family farms which depend on a reliable source of energy at a reasonable cost. Farmers know about the economies of supply and demand. They understand that supply must exceed demand in order for prices to drop. We still have

challenges in small businesses and in groups who are looking to us to help them through this period of a demand crunch.

It's no easy task and we know that, Mr. Speaker, but we are not shirking away from it. We will face it head-on, as is the history of this government and this leadership. This government is a government that recognizes the problems and puts forward solutions. It does what it says it's going to do, and that's what Albertans wanted.

The throne speech references Bill 1, which will formalize the rebate program on natural gas, something that Albertans said to me over and over that we should do. Albertans trust the government and this leader to do what is right for our energy problems, and you need not look further than the results of March 12, 2001.

Another major concern for my constituents is their health care. It is their health care, Mr. Speaker, not this government's, not the federal government's. It's about service to them and the ability to continue to do that in the future for generations to come. I was told on many occasions that health care must be reasonable, accessible, timely, and, very importantly, sustainable. There is general agreement that our frontline staff need help. They need to be a part of the team, and we need to address the issues of morale, staffing, and service.

It was on many occasions which I stated my commitment to our publicly funded health care system, and I have no problem in saying that, because I believe in this government's commitment to that system. The throne speech says:

The government's priorities for health care in the next year will focus on access to health services, illness prevention, and effective regional governance.

Mr. Speaker, we have some major challenges in health care as well. The world's advances in technology and treatment may be moving further ahead faster than we are able to debate the social and economic issues they create. We're living longer, and that's a wonderful thing, but like all wonderful things it brings about further issues.

One of those is long-term care and the expanding demand our healthier aging population has. In my riding, Mr. Speaker, this is a very important issue. Boundaries for long-term care are an issue, one which I and my colleagues want to find solutions to working with the RHAs. The people in my riding do not want me to complain about one level of government or authority. They expect us to work together as a team. We know what the problems are. We want to find the solutions.

Another key issue of concern for my constituents is education, and I could spend a great deal of time talking about this issue, because it took a great deal of time during the campaign. I know, Mr. Speaker, that all of my colleagues had the same experience. I also know that there is not one Albertan that I have ever met that said we wanted a poor education for our children and not one Albertan who ever said to me that we want to export our best and brightest out of the province.

Mr. Speaker, my constituents want the best possible education for their children, for my children. They want it to be measurable and applicable while also preparing young Albertans to face a global world. No one in this room would argue that grade level K through 3 students on average would do better in a smaller class size. However, other factors are also important at these levels.

We as citizens of this province have elected representatives to school boards who we have given the responsibility to make the decisions on how best to deliver this education to the students. Now in the recent budget we have ensured that funding levels allow flexibility for these boards to do just that. But is the measure of success we want to use that we spend the most or that our students are prepared to meet the world that is fast coming up to meet them?

I support smaller class sizes, but all five of the boards in my constituency do not want this government to legislate class size to them. My goal, Mr. Speaker, is to work with these boards as a partner and try to achieve the common objectives that we all have. We need to communicate with the parents that we are doing this, what is possible, what is achievable, and what the constraints are. As everyone agrees, the education of our children is critical to us all, to our history, to our future.

One other note on education, Mr. Speaker, and then I will leave it. I have heard many times that we need to bring more wellness education into our system. We need to teach our young people how to live a healthy lifestyle and to enjoy the benefits that go along with it. This will benefit all Albertans, and I would like to see an increased emphasis on the physical education and well-being of our students.

Mr. Speaker, I represent the best riding in the province. Why? Because it is as diverse as the province itself. Within the boundaries of Spruce Grove-Sturgeon-St. Albert constituency we have an entire city plus a third of another. There are two counties, Parkland and Sturgeon; five school boards; three health authorities, Capital, Aspen, and WestView; and the First Nations reserve of Alexander. The riding encompasses just about every economic activity in Alberta, from oil and gas to grain farming, hog operations, and high tech. In fact, we have world-renowned experts in the field of alternative panels for construction materials. All of this in communities such as Calahoo, Villeneuve, Riviere Qui Barre, and Alcomdale.

As my hon. colleague from St. Albert knows, the city of St. Albert began in 1861 and is the oldest successful farming community in Alberta. As the oldest nonfortified community in the province it has a strong cultural history with the influence of the Catholic mission of Father Lacombe in its early years, as well as the Metis influence, which started the settlement. Now a city of 55,000-plus and, as we found out during this week's week of the volunteer, it has a population involved in volunteering at the 50 percent rate: a caring, responsive, forward-looking community concerned about their quality of life and the proper development of their economy.

Spruce Grove, Mr. Speaker, is the gateway to the west, if you will, another strong, vibrant community that wants to grow but grow wisely. From its humble beginnings as a trade centre for the agricultural community to the west of Edmonton in 1907 it has grown into a beautiful city to raise a family. No longer simply a service centre to agriculture but now a centre for economic development. The residents of Spruce Grove want the government to act as a catalyst for development. The residents of Spruce Grove have serious concerns about infrastructure.

Mr. Speaker, rapid growth and development in all of my constituency mean that transportation demands grow as rapidly. We need additional transportation investment, school investment, and tourism and economic development, and that is why they elected me to push for these things.

Growing up on a farm and, in addition, my pre-MLA life as a marketer of agriculture products internationally, agriculture holds a very strong place in my heart. Our agriculture community employs, directly or indirectly, one-third of this province, Mr. Speaker. It pumps close to \$14 billion into our economy, and most importantly it feeds us.

3:00

The riding of Spruce Grove-Sturgeon-St. Albert contains some of the best farmers and farmland in the province. As my rural colleagues will agree, farming is no easy task. It is very difficult to compete against subsidies which we could only dream of, but they are doing it, Mr. Speaker, and we need to step up to the plate when

we need to. We need to ensure that our small rural communities maintain their viability, their water safety, and their rural infrastructure.

Mr. Speaker, on this my maiden speech in this hon. room with these hon. ladies and gentlemen around me, I want to say that I am committed to serving my constituents, representing them in this House and government, not the other way around, and working as a team member to do what is right for Albertans and Alberta.

If I may, Mr. Speaker, in March of 1968, 33 years ago, my father rose in this House to give his maiden speech, and he spoke passionately about good government and representing his constituents. I am not the only one in this House who is carrying on a family tradition of public service, and I know that they feel as I do right now. I am tremendously proud and blessed to be in this House today. It is very difficult for me to express the vast amount of emotions which I feel right now. I pledge to my constituents to do what I said I would, and to my colleagues in this House I pledge to give you one hundred percent commitment to my duties and to this Legislature.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Calgary-*Buffalo*.

MR. CENAIKO: Thank you, Mr. Speaker. Today I've been given the great honour of making my maiden speech. As we live in a time when growth is changing the face of Alberta, it's a privilege to play an exciting role as a member of this government. I would like to thank the electors of Calgary-*Buffalo*, who have shown great wisdom, independence, and a sense of adventure in their selection of an MLA. It's a great honour for me, the choice that thousands of Calgary-*Buffalo* citizens made when they chose me as their new MLA. Calgary-*Buffalo* had been a Liberal riding for 15 years, and the constituents knew that Alberta was going to continue to prosper. They chose a new representative with a fresh perspective in the Legislature for proven leadership and a positive future.

The makeup of Calgary-*Buffalo* constitutes a wide array of cultures, the most in any one constituency in the province. It's also home to young families, single moms, postsecondary students, young professionals, a large gay and lesbian community, seniors, and, last but not least, a number of homeless. The residential concerns span from homeless shelters, low-income units, rental apartments, and single-family homes to million-dollar condominiums. This constituency is home to Calgary's largest arts and theatre community, which adds a unique vibrancy and culture to the inner city. We are also home to the second highest number of corporate office headquarters, with a downtown skyline that is one of the most beautiful in Canada if not in North America.

During the throne speech on April 10, 2001, the Lieutenant Governor touched on many issues that Calgary-*Buffalo* constituents are concerned about, issues regarding health care and the provision of more efficient and effective service. I agree with this government in electing regional health boards as a top priority, ensuring the community's voice in the delivery of health care. As a board member myself for the past seven years, I know the task ahead for newly elected board members will be challenging and trying, combining the future model of health care with new medical technology.

This government's direction for education is equally important. All public education, from kindergarten through high school, will receive a great deal of support in the coming years. The Minister of Learning will not only focus on building new schools, modernizing existing ones, and classroom size, but also the role skilled educators play will be important in this delivery model which is valued highly by our government.

From door-knocking during the election I quickly learned that there are a great deal of postsecondary students living in Calgary-Buffalo, and this number is growing. They were happy to hear that the scholarships will be increasing and financing will be updated to offer student loan forgiveness and a user-focused student finance system. Postsecondary students will also be encouraged to hear more details about the Future Summit that will focus on improving the opportunities for young Albertans after their education.

Mr. Speaker, my skills as a police officer will serve me well as an MLA. These two positions share several characteristics. As we all know, being an MLA in the province of Alberta will be very challenging as we pay off the debt and watch as our taxes decline. The future goals that we have as legislators must be fine-tuned with a strategic plan in place. Basic issues can be incredibly complex as the different layers are torn away and more concerns and ideas must be considered. Issues have to be weighed against human desires, the willingness of the groups involved, and the resources of this government. Through the art of problem-solving and proven leadership we will reach the ultimate goal of a vision of a positive future for all Albertans. There are a myriad of complex challenges emerging for the community that will demand effective responses as well as lasting solutions now and over the next few years.

Part of the allure of being an Albertan is the fine tradition of pioneering and the regard for individualism by people of the province of Alberta. Albertans are the backbone of effective change. They will create opportunities, and the value of individualism as part of a tradition in Alberta is a very strong foundation for a healthy and vibrant society. Valuing individuals and emphasizing the importance of their contributions builds strong character and leadership and supports our coming together in groups to determine responses and solutions to the challenges of today. To me it is the individual dreams, aspirations, and actions which come together that are instrumental in building healthy communities like Calgary-Buffalo.

Strength, commitment, hard work, and an unwavering stance regarding my personal values are the qualities that support me in all my endeavours. As maturing people we go through many changes in our roles, our daily lives, our responsibilities, and our outward experiences. The only thing that ever remains the same day to day is our personal framework of values. This perhaps more than anything else forms the essence of who we are. Like you, I am not the same person I was 10 or 20 years ago, but still I hold on to my personal values, which will remain with me forever.

Over the years I've come to realize that the challenges I have faced in policing are not negative experiences but have been opportunities for growth and to become stronger and more experienced. Experience teaches us. Optimism is the key to turning problems into opportunities. The most significant value which helps us succeed in the challenges of a career and life is optimism.

As a police officer I often spoke from the heart on issues of social conscience and the harsh realities of policing: domestic violence, youth violence, child prostitution, and the release of dangerous offenders into our community. When I was knocking on doors during the election campaign and speaking to citizens' groups, I took every opportunity to get the views of constituents on a wide range of issues and community priorities. Listening is essential if I am to effectively represent the residents of Calgary-Buffalo.

I was honoured recently when the Solicitor General appointed me to the policing review committee. What are the challenges for policing emerging in the new millennium? One very significant challenge is the transformation of the way we deliver policing services. For many years police agencies were able to unilaterally decide the best approach to delivering police services, with no involvement from government or the community. For many years

police car patrols were effective. Youth fought with fists rather than guns. Racial tension existed in smaller groups, and domestic violence and child abuse were hidden in the home. Domestic violence and house break-ins would not have made the top two priority items, as they did in Calgary in the mid-1990s. This has changed.

Social awareness and working conditions for policing are very different today. The demands of today require a broader focus going beyond law enforcement. The public no longer wants the traditional crime control measures. They want and demand crime analysis, detection, and prevention. They want to live in their homes and walk through their neighbourhoods without the fear of violence. They don't want to risk the lives of their children on our roadways. Police services across the country and here in Alberta are now asked to provide direction not directly related to law enforcement and policing. It is not uncommon for police services to be asked to participate in evaluations of neighbourhood revitalization projects as well as complex social issues and problems, building partnerships with regional health authorities and corporate partners like the Alberta Motor Association. We must expand to build safer communities in the future.

3:10

Policing today faces tough questions which require answers to contribute to peace and wellness in our community. For example, what should society do with children who murder and with youth engaged in shoot-outs in public places? How do we ensure the sharing of opportunity? How do we work together to break the cycle of violence which begins in the home? How do we protect public safety when dangerous offenders are released into our communities? What are the resources that are required?

A good beginning to cope with the impact of changing demographics, technologies, and economies is to acknowledge that we are quite capable of managing the challenges of change. As community leaders and legislators we are responsible for creating a vision for policing. We know that we need communities' and stakeholders' consultation if we are to create that vision. It is a fact that if policing fails, people live in fear, economic success in our community is jeopardized, neighbourhoods regress, expenses from vandalism skyrocket, health care costs rise, and the Alberta way of life falters.

As a Progressive Conservative government we must do everything we can to not let this happen. The four key elements of community policing are consultation between police and communities about problems, policies, and priorities; adapting strategies that fit the needs of different neighbourhoods; mobilizing all the resources of a community, including police, citizens, government, and private sectors; and solving problems with our community partners by studying the conditions that lead to calls for service, then drawing plans to connect with these conditions and taking the lead in evaluating and taking remedial action.

The large seniors' community in Calgary-Buffalo shares the same public safety concerns as the general population: assaults, robberies, personal safety at home and in our neighbourhoods. Within these broad categories of crime concern are the special interests of our senior population. Some of these are unique to seniors, such as financial and emotional abuse and personal safety. Stereotyping based on age and gender can be harmful. We know that to be a senior does not mean to be physically weak. However, there are those who specifically target the elderly because they believe they are easy prey. Seniors in particular have a feeling of vulnerability at a time when they should be enjoying personal freedom and peace of mind. It is our commitment as legislators to create an environment free of crime where all law-abiding citizens can feel safe and secure.

Strengthening community relations and supplying community-based policing will ensure that seniors have a voice that is heard by their police service.

I would briefly like to touch on two concerns particularly relating to seniors; that is, financial scams and elder abuse. Financial abuse has many forms ranging from theft by caregivers to telemarketing scams and rip-offs by unlicensed trades. Crafty con artists are using old and new tricks to steal from trusting seniors, and it is important to raise awareness of this situation. Domestic abuse is another area where seniors fall victim to crime. The abuse of seniors refers to a range of behaviours where family members or caregivers attempt to control a family member. This can include verbal insults, refusal to provide the necessities of life, and limiting access to social contacts and medical help.

There is tremendous community support and involvement now on domestic violence and abuse issues, including public awareness and education initiatives in this area. The Kerby Centre, located in Calgary-Buffalo, is a facility for all Calgary seniors. It has taken a lead role in providing shelter for seniors. It is a one-of-a-kind facility in North America, and I was fortunate enough to have been a member of the steering committee in its development.

With the projection for an increasing number of seniors as part of our province, policing agencies must work collaboratively with other social service agencies and regional health authorities to re-examine the issue of senior abuse on a continual basis. I am confident that policing agencies serving Albertans are on the right path to significantly reduce domestic abuse of all forms, providing timely and meaningful assistance to all victims. I value the special relationship I have with seniors and seniors' organizations in my constituency and appreciate the assistance and partnerships I've had with them in the past, and I look forward to building on those strengths in the future. A continuous and open communication process is the best way to ensure Alberta's policing services continue to be among the nation's leading policing agencies, providing excellence in service delivery.

The core values I believe in as a former inspector of the Calgary Police Service are honesty, integrity, ethics, respect, commitment, fairness, compassion, and courage. Respecting these values, I will represent Calgary-Buffalo through hard work, with a passion for their issues.

In conclusion, Mr. Speaker, I want to again express my thanks to constituents of Calgary-Buffalo in choosing me to represent them as their voice in this wonderful, historic 25th Legislature.

Thank you very much.

Mr. Speaker, I would like to move to adjourn debate.

[Motion to adjourn debate carried]

head: **Government Bills and Orders** **Second Reading**

Bill 5 **Appropriation (Supplementary Supply) Act, 2001**

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. It's my pleasure to move for second reading Bill 5, the Appropriation (Supplementary Supply) Act, 2001.

The Committee of Supply dealt with the subject of the bill last evening in some detail, so I won't dwell on the bill at all other than to say that the people of Alberta were well served by the expenditures made pursuant to it, there now being actual approval with respect to the rebates on their natural gas and their energy costs over

the course of the winter and the particularly high costs of energy that we felt at that time.

As well, we are particularly well served, Mr. Speaker, by the reduction of education property tax, which necessitated the need to replenish the Learning budget from general revenue.

Mr. Speaker, I won't say anything more about the bill, and I commend the bill to the House for swift passage.

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

DR. PANNU: Thank you, Mr. Speaker. With your permission I'd like to take a few minutes to make very brief comments on the second reading of Bill 5.

[Mr. Shariff in the chair]

Mr. Speaker, this is the second supplementary bill for the past budget year before this Assembly. During last fall's sitting almost one billion dollars in additional spending was approved. Bill 5 adds almost another \$433 million in supplementary spending to what was already approved last fall.

In his last several annual reports Alberta's Auditor General has repeatedly drawn attention to the government's overreliance on onetime spending. The Auditor General's concern is that overreliance on onetime spending makes it hard to hold the government accountable for its spending decisions. Despite the fact that the government claims to operate under three-year business plans and on three-year budget projections, onetime spending strongly suggests that these documents aren't worth the paper they are written on and that in reality the government has no clear plan.

In making these remarks, I'm not in any way questioning the fact that the programs being funded through Bill 5 require additional resources. Sometimes the unexpected happens, and money has to be expended after the approval of the budget. However, when funding shortfalls happen year after year in core government programs like Children's Services, Infrastructure, and Learning, it shows serious flaws in how the government does its budgeting. Increasingly, the provincial budget that we approve in the spring sitting bears no resemblance to reality. Instead of fully meeting the fiscal needs of important programs in the spring budget, the government underestimates what's actually needed and then has to come back later in the year with supplementary estimates.

Based on a review of this week's budget, I feel that history is about to repeat itself. One example is social assistance rates. Instead of providing for an increase in the rates in the spring budget, the government tells us it wants to have a review done first, perhaps making it necessary to bring supplementary appropriations later in the year.

Going back to the question of accountability, Mr. Speaker, these supplementary estimates, especially when they come before this House after the money has been spent and the budget year has already gone – it reduces this exercise near to meaningless. The Legislature is the appropriate place to hold the government accountable for the moneys that it plans to spend, and the time for the opposition and for this House to scrutinize the government's budgetary commitments is before the approval of the budget, not to give approval after the money has already been spent and the House has no recourse but to simply accept the expenditures already made as a given. So what this means in terms of the role of this Legislature in the process of examining the budget, approving the budget, is that the Legislature increasingly is being marginalized. Its role is being reduced and made less and less effective, and that's what

should be a cause of concern to all members of the House, not just those of us who sit on opposition benches.

3:20

So I would like to conclude by saying that it is a practice that needs to be stopped. It's a practice that mustn't be allowed to become a standard practice. Otherwise, these debates on bills such as the one that we are debating now are more like closing the barn doors after the horse has left. In other words, that reduces us to a meaningless chatter in this Assembly.

Thank you, Mr. Speaker.

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

MS CARLSON: Thank you, Mr. Speaker. I'm happy to have an opportunity to speak to the supplementary supply appropriation bill, Bill 5, coming now on this date, April 26, some 26 days after the fiscal year-end and after the time that these dollars have been spent.

If we take a look at a supplementary supply bill, we need to question the purpose of the bill, Mr. Speaker. I think that what we should be remembering in appropriation bills that are supplementary in nature is that the purpose of the bill itself should be to deal with only the most unanticipated or extraordinary expenses that have come up in the year. So that's the test that we should use when we take a look at the dollars for which confirmation is asked. Did they meet the test of being both unanticipated or extraordinary? Later on, then, we can talk about how we measure whether or not the government made good choices in terms of whether they should have been unanticipated.

The first question we need to ask is: were these unanticipated or unexpected? So we go to them in terms of the separate areas that the dollars are asked for.

In Children's Services these are replacement dollars for a particular authority which had some funding issues. You would think, first off, that that isn't a problem, that that could happen, that it could be unexpected. Certainly caseloads in child welfare cases could vary. There could be issues to deal with there. But we're asking for quite a bit of money, given the context of what it is that we're talking about: \$3.8 million. You don't spend that in a month or a day in child welfare, in the particular authorities. That's an accumulation of dollars, so there is some expectation that this was an issue, a problem that the minister had some warning about, and in fact, Mr. Speaker, we know that to be true. This particular authority has had ongoing issues throughout the year.

Now, I'm not suggesting for a moment that those dollars weren't well spent. I think that all dollars spent on children have great value, and in fact the authorities by law cannot refuse to help these children if they come to them in need. The question here is: was it anticipated, and therefore should it have been in the supplementary supply bill? I would challenge that. I would say that these were dollars that were anticipated, that the minister saw the overruns coming, and there were other avenues that they could have used to adjust accordingly. Such a large amount of money, \$3.8 million in this case, indicates to me that there are some real problems in terms of how Children's Services is funded.

If we then lift our heads up and take a look to other indicators in the community, we see that to be true. In fact, to read through the Children's Advocate report recently is really quite a damning criticism of how this government has handled children. Caseworkers are overloaded, are not dealing always with the best interests of the child as their primary criteria. A lot of that is related to budgetary issues. It looks like they don't have enough money to do their job.

It looks like they don't have enough co-operation amongst departments and organizations and different authorities to do their job.

So those are big issues, Mr. Speaker, and issues I'm hoping the minister will address. I know she takes her work very seriously and is trying to do a good job, but what else is missing there in terms of getting the kind of support she needs? Why doesn't she have the support of the government on this? When we have multiple billion-dollar surpluses rolling into the province, this government should be able to plan for the kind of money that is needed to help children.

These are kids who are asking for help, young people who want to be able to succeed and excel in this province, and by what we've seen in that report, it doesn't look like that's happening. It also doesn't look like the minister has organized the resources properly in this particular authority. What were her options, Mr. Speaker? She could have come to us in the fall when the last supplementary supply request came in and told us that this was going to be happening, that they felt that it was worth while to put the additional dollars in to do whatever they did with them, whether it was minimize caseloads, assess kids, handle greater volumes, or whatever. I think that the Legislature should have had a heads-up on that. So I think in this particular instance these expenses could have been anticipated.

Are they extraordinary expenses? It doesn't look like it, Mr. Speaker, so that criteria also doesn't apply here. These are the day-to-day expenses of trying to get these kids through a variety of crises in their lives.

Let's take a look at the next department, being Infrastructure. That's the big one: the rebates. Does it fit the purpose of supplementary supply estimates? Were these rebate dollars unanticipated or extraordinary? I think in this case, Mr. Speaker, they meet both criteria by government standards. I think the high costs were somewhat unanticipated by the government, not a reflection on their ability to forecast. In fact, that's a condemnation of what happened here. They should have anticipated that the way they moved forward with deregulation, there were going to be horrendous costs passed on to consumers and they were going to be expected to respond in some format. That's in fact what we've seen with these dollars here. So both extraordinary and, only in the government's eyes, unanticipated. I think everyone else in this province clearly understood that there were going to be some significant financial consequences as a result of the way they proceeded with deregulation.

What about Learning, Mr. Speaker? Did they fit this particular criteria? Are the dollars requested there unanticipated? Not at all. Once again the government full well knew what their plans were in terms of reducing the education portion of property taxes. The only thing they didn't do was give school boards a mechanism to recover that money somewhere else. So poor planning is what we see in this particular instance. That could have been forecast and put into last year's budget, and we wouldn't have had to see these dollars come out at the end of the year. Had they done that, school boards would have had some sense of security in terms of what they were expecting for the rest of the year and wouldn't have to wait on tenterhooks until after the budget year for this to be approved.

Is this an extraordinary item? I guess in some ways it fits that criteria, Mr. Speaker. We're talking about what is now going to be an ongoing occurrence – the specific rates that they can collect on the taxes – but it was the first year that it happened. I guess it could qualify as extraordinary in that circumstance.

3:30

One thing we can do when we talk about supplementary supply is ask the question: has the government done their job in needing these funds and approval for these funds after the fact of the year-end?

That's, I'm sure, a matter of great debate on both sides of the House. We certainly would hope that we can see some participation from government members defending their position in terms of the government having done their job and asking for these dollars.

What we need to take a look at when we analyze them having done their job is: do the dollars reflect the government being able to meet their benchmarks in the business plans? If we take a look at the business plans in each of these areas, in fact we don't find the reasons why this additional money was requested to be benchmarked at all in the government business plans. So that raises a whole series of questions and issues in itself, Mr. Speaker. Why aren't they there? How can it be that the government is not measuring its performance on issues that it's actually spending dollars on? What are the benchmarks doing in the business plan, how effective are they, or why were they not?

When we've already established that for the most part none of these dollars requested hit the extraordinary category, then there should have been benchmarking done in the various business plans so that we could measure how effective the use of these extra dollars is in terms of meeting the government's actual goals and objectives. They can't do it, because they don't exist. The only thing that comes close are some references in Children's Services where they talk about the authorities. The Auditor General has made extensive comments on the problems surrounding how the authorities have established their goals, objectives, benchmarks, and performance indicators. Certainly when we get into that specific ministry under budget debate, I'll spend some time talking about that, because they are significant in nature, Mr. Speaker.

I see the lack of benchmarking for the supplementary dollars to be a major omission on the government side. I'm hoping that the Auditor General will take a look at that and will bring forward some comments at some point. Perhaps before his report is ready, it traditionally being ready in the fall, it would be interesting and I think helpful to the government to have his feedback on that.

Another question we need to ask ourselves when we take a look at supplementary estimates is: do they contribute to the long-term benefit of our province and the people in the province and the objectives that we have for ensuring that Alberta continues to be an excellent place to live? What measures do we use if we talk about contributing to the long-term welfare of the province? I think we can talk about equal opportunity, we can talk about stability, and we can talk about sustainability, Mr. Speaker. I think those are good frameworks to take a look at the dollars that are asked for and see if they contribute in some capacity to reaching those objectives.

When we talk about equal opportunity, I think that the dollars spent in Children's Services significantly contribute to that, Mr. Speaker, and I do congratulate the government on that. This is an authority that has had some issues, some problems, has needed extra support, and rather than shutting the door on the kids that came after the dollars ran out, the minister allowed that door to remain open, and those children continued to be helped. We could talk about the degree of help they got. Perhaps it wasn't enough, and maybe some people didn't get the access they needed, but in fact when we're talking about children in need and children at risk, then I think it is very important for the government to ensure that they provide the opportunity for those kids to get that help. Clearly, they at least made an attempt to do that by spending the extra dollars, so I think that's a good move on behalf of the government. Certainly I would like to applaud their efforts in that regard.

Overall review needs to be done of how those authorities are managed and whether or not children are being helped in an appropriate manner. Certainly we saw kids in crisis in this particular area, and the government tried to do something. That's a good first

step. We look forward to seeing many more progressive steps in that regard.

When we talk about equal opportunity, I'd like to talk about how government has not met that criteria when it asks for the additional funds in Learning. They denied the school boards the equal opportunity to participate in the decision-making on how revenue sharing should be done by just arbitrarily deciding what the percentage would be and how it would be changed. I would like to suggest that the government should re-evaluate how they operate that particular process and look to a more participative model, Mr. Speaker. What we see in the actions of the government is a dictatorial kind of style that does not give everybody at the table equal status. In fact, I would suggest that in this particular instance many people who should have been at the table weren't there, and those would particularly be school boards.

I would like to talk a little about municipalities and the direction they were given from the government in terms of being told that they could not use up that additional room in the property taxes that the government reduced the education tax by. While none of us like to pay more taxes, Mr. Speaker, there is no doubt that municipalities have felt tremendous downloading by this government in programs and expectations for what they should be delivering to ratepayers. They haven't seen a corresponding increase in the dollars that they have received in transfer payments from this province. Once again, there is someone who is not at the table in decision-making. So what we have is a government who can behave like Santa Claus handing out candy bags whenever they dole out the money, yet at the same time they're starving municipalities of much-needed funds. This is a wealthy province, with the kind of surpluses we have. I would urge this government to take a look at treating municipalities not as a poor cousin but as an equal participant at the table of discussions and negotiations and decision-making in terms of where dollars should be spent.

Let's talk for a moment about stability and how that relates to these particular areas. Is what the government is doing in having spent this extra money contributing to the stability of the province or the people within the province? If we talk about that in terms of Children's Services, the answer there is likely yes. While we have a rocky kind of situation with how the authorities are operating themselves, did the additional dollars help the end user, which in this case is the youth who are using the services? The answer there is likely yes. I'm sure that my colleague from Edmonton-Mill Woods will also address that and let me know whether or not my assumption here in this case is well founded or whether there are some causes for concern in that area. But it seems to me at first glance that this is an area where the government has contributed to stability.

Has it contributed to stability for people in the province with the energy rebates? In the very short term the answer there again is yes, Mr. Speaker, because they've helped them to level out the energy costs that they're experiencing. In a climate of great instability they have helped flatten out the peaks and valleys a bit for individuals. The problem with what they've done is that it isn't sustained, which is an issue, I think. It's very short term in nature. The time has already passed for which we have received those subsidies, and what about the future? It doesn't matter too much to anybody in this room, but to many people in this province who are low income or working poor, it matters a great deal. It doesn't just matter when those huge bills come in wintertime. It matters to them in the spring, when we see fluctuations in the weather in the fall, and of course they're going to get significantly hit this winter. There's no stability in not knowing whether those rebates are going to be forthcoming again.

3:40

What we need from the government is some information as soon as possible about how it is they're going to implement the process. We would have thought we would have seen that in the upcoming debate on Bill 1, Mr. Speaker, but in fact it's not there. Why? Because that is a shell of a bill. It is a licence for the government to write a blank cheque on anything they want to do, because all the decisions are going to be made by regulations. The problem with making all those decisions by regulations is that nobody knows what the regulations are going to be until after the government has decided. There's no opportunity for input. There's no opportunity for people to get a heads-up in terms of what they can expect so that they can plan their lives.

I would suggest that many people choose not to live day by day, that they like to do a little planning in their lives and in their forecasting for the kinds of expenses that they're going to see to operate their homes and how they're going to manage their budgets in the next year. When you don't know if you're going to see additional costs of \$200 or \$300 per month in electricity costs, it's very hard to do any long-term planning. How can you plan to put money away for the kids' further education, for the education that they're in right now, for their sports programs? How can you pay down the mortgage or even renegotiate your mortgage when you don't know what your monthly expenses are going to be? How can you plan holidays, clothing expenses, any of those kinds of things? Serious issues, Mr. Speaker, that the government needs to look at.

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

DR. MASSEY: Thank you, Mr. Speaker. I'd like to take the opportunity, as we examine the supplementary requisition this afternoon, to look at the requisition in the total context of budgeting and the kind of framework that jurisdictions and, in particular, school boards have to work within and how changes like those detailed in the requisition might be seen and might fit into that funding framework.

The government had a review that was reported in May 1999 of the framework for funding school boards. I'd like to dwell on that framework for just a few minutes because the items that were raised in that by the boards that took part and by that study group I think are important when we consider something like the requisitions before us this afternoon.

The concern of school boards of course – and it has been a concern right from the beginning of the changes made by this government in '93 and '94 – is the amount of flexibility that they have to deal with the problems they face and the lack of flexibility, that there has been a narrowing of their ability to respond to the needs of their particular citizens. They've even gone so far, Mr. Speaker, in terms of being unhappy with the flexibility that they have as to suggest that there should be a separate funding block for them set aside just to meet local needs. As a former school trustee who worked with a board that was able to levy local taxes at one time, this plea seems to be a far cry from those days of looking for a little piece of money in their budget that they can use to respond to local needs.

They look at programs that are introduced by the government and are concerned that often those programs come with no funds, no support for start-up costs. We know that when new programs are introduced, like the literacy program or the school improvement programs, those programs just don't come fully operational from the provincial government. School jurisdictions across the province have to spend a great deal of time and money trying to get those

programs started up and staff in place to conduct them. There is no accommodation in the present funding framework for those costs to be accommodated.

The notion of flexibility is also part of the basic instruction grant and based on a per student basis. I think that the plea there is that all of the instruction grants should be consolidated into a single rate because many of those grants don't reflect the actual costs. So it doesn't make much difference if they come in a separate package. They don't cover the costs of the package, and all they do at this point is add additional administration costs for school boards. The notion of having the grants consolidated into an instruction grant is one that I think was recommended by and considered by the funding framework committee and one that still has to be, I think, seriously considered.

Related to that, of course, is the problem of earmarked grants. As welcome as the programs that those grants often cover are, again the amount of flexibility of boards is curtailed when the funds that come to them are earmarked. It also is a way of the government taking what might be boards' priorities and changing them into priorities that the government has set. Again, it takes away flexibility. It takes away local autonomy in terms of boards trying to respond to the needs of their citizens and their ratepayers.

There have been some things that the government has done that I think are healthy: taking the cap off the number of students that could be identified as students with severe behaviour problems. That cap was artificial, and the government in its wisdom removed it. I think that boards applauded them for that.

The restrictions in terms of transferring money between blocks is a restriction that the boards find, again, restraining. I think the point is made and was made in the funding framework that if the grants were adequate in the first place, then transfers wouldn't be required between blocks. Actually, the plea at that time – and I think it is still there – was that restrictions be removed and that they be replaced with guidelines for school boards, and that would allow them some flexibility in terms of moving funds from one area to another. Really, I think again they made the argument that the local boards are in the best position to know where the funds should be spent, and if anything, the government should not be restricting it at the front end but holding them accountable for the results. So don't restrict us going in, but at least measure us by the kinds of results that we receive.

I think that if you look at the number of boards that actually ended up transferring funds between blocks, the majority of boards don't actually end up transferring funds. It's impossible politically. There's great pressure because all of the blocks are underfunded. At least, in the funding review report they indicated that they felt under great political pressure to not transfer funds. Usually if they did it, they ended up in political hot water. They, again, were very clear in their complaint that there were insufficient funds in the first place, so transferring funds from one block to another was really problematic.

3:50

The flexibility in terms of the payments to boards. I think, again, that the government made some changes to give school boards some greater flexibility by making sure the payments were made to boards in a more timely fashion than they have previously been made. Again, I think that has allowed boards more flexibility, something that is, as I've said, a very major concern.

One of the complaints that the funding review brought forward was the whole business of local decision-making and how boards feel unable to respond to their local communities, that in many cases the board members feel they are but flow-through conduits for

provincial government money. The more earmarked the funds, the more those restrictions are applied, I guess, the greater that's going to be felt by boards.

I think it's really unfortunate with the kind of public negotiating that's been going on through the budget and through comments of government members about teachers' salaries. I'm sure school board members are sitting out there wondering exactly what's happening and how they're going to behave at the bargaining table given the context that's been created by the provincial government, by the Premier and his 10 percent comments, and by the budget with its 6 percent provisions.

Again, it goes back to the kinds of things that boards were highlighting in the funding framework review, and that is that they're being left out, that their flexibility is being curtailed, and that in fact they are exercising less and less control in local communities over school affairs. They feel – and I think rightfully so – that this is not in keeping with the history of this province, where school boards were the very first form of municipal government. Certainly in this city and in most parts of the province school boards were formed before there was any thought of a municipal government. I think that that close association of citizens with their schools through those boards is something that's being lost. Boards are becoming more and more remote from citizens, given the kind of control that those boards have over school affairs.

I'd like to spend a few minutes, if I may, Mr. Speaker, talking about the complexity of budgeting. Instead of being a simple, straightforward operation, the government budgeting process has made it more complex and therefore more costly and more difficult for boards to render the services to local schools that they're expected to. In the funding framework review boards overwhelmingly thought that there had to be some streamlining, that the kind of framework that's in place right now is much too cumbersome and needs to be changed. I've mentioned a couple of them before, and that is the notion of taking away restrictions. Instead of a long list of laws that must be obeyed or regulations that must be obeyed, take those restrictions away, replace them with guidelines, and then hold boards accountable for the results. I think that there is wide support among boards for that approach.

There are some specifics, like moving the ECS funding to the basic instructional grant and at the high school level eliminating the credit enrollment unit funding because of its administrative complexity. We've seen some of the problems with that over the last number of years and some questions about the use of that system and how effective it really is in getting money to the boards for services rendered. Again, a plea to reduce the complexity by reducing the number of conditional grants. A number of the boards were more than frank about the amount of time that's being spent and the amount of paperwork that's being created in trying to access grants and earmarked funds that just seem to be wasted money as far as they were concerned.

The other one that came in for consideration and criticism was the amount of paperwork for funding for special-needs students, the kind of paperwork and the kind of work that has to go into getting their funding, how time consuming it was and how it had to be done time and time again and was really very wasteful of resources that could be better used to serve in programs for those students.

There were complaints about the transportation formulas being too complex, and again reporting the requirements for mild and moderate special-needs students was seen to be unnecessary and cumbersome. So the whole notion of complexity.

Again, they were concerned with the number of grants and earmarked funds, and I go back to the earmarked funds for just a minute. We heard earlier in question period this afternoon a

question on whether the earmarked funds or funds for the school improvement program were going to be continued. I think it bothers most boards that there aren't sunset clauses in place to automatically have those programs come to an end, because they are mechanisms of control exercised by boards, and when they are perpetuated, that control is perpetuated. So a number of boards are concerned with having a sunset clause – that seems to be, I would think, a wise recommendation – on earmarked funds to make sure that periodically those programs are reviewed so that the kinds of problems they present to boards, when they are programs, really, in perpetuity and not rolled into the basic instructional grant, could be eliminated.

The concern about funds that are initiated and then withdrawn. I think the technology funds are an example. The boards scrambled to get those funds and relied upon them, and then they were withdrawn. Well, I guess that whole notion of earmarked funds is something that adds to the kind of complexity that boards face, and I've mentioned that a couple of times.

The budget. I think there are some additional concerns that are indirectly related to the budgeting process. We get an opportunity when we look at the estimates in more detail to talk about some of those.

The funds in terms of adequacy. I think it's generally agreed across the province that the basic per pupil instructional grant is inadequate, and it's an issue that in my preliminary look at the budget I don't think has been addressed but one that I think is going to have to be. It's going to become more acute. It's chronic underfunding, and I think it's starting to raise some problems in the system that could be eliminated were the funds different.

4:00

I think parent fund-raising, school fund-raising is a huge issue that government, I know, has been trying to get a handle on, I don't think very successfully. It's a difficult problem. Some parents refuse to report the amount of money that they raise for schools, indicating that it's none of the government's business or none of the local school board's business how much money they raise. There are issues about the morality of using gambling funds to finance schools. We heard the bishop in Calgary issue a fairly clear directive to residents there in terms of not using gambling funds for school purposes.

I think the framework was designed to make more equitable the amount of resources available to each child in this province, yet the fund-raising has worked to introduce a whole new set of inequities as some school districts and some schools are able to raise thousands and thousands of dollars through casinos and bingos, and other communities where parents have other concerns don't have access to those same mechanisms, so huge variations across the province in terms of the additional moneys per pupil that are being raised by school boards.

User fees are now being incorporated and expected in terms of budget planning, in the budget process, and I go back to our notion, the idea we have in the province of a fully funded public education system accessible to all and how that ideal is being . . . [Dr. Massey's speaking time expired]

Thank you, Mr. Speaker, I look forward to another opportunity to speak on the budget.

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

DR. TAFT: Thank you, Mr. Speaker. My comments will be relatively brief, unless you'd like me to go the full 20 minutes. In regards to Bill 5, the Appropriation (Supplementary Supply) Act,

2001, I'm sure in fact that my concerns are probably shared by many of us here. It is worrisome adding over \$400 million of approved expenditures to last year's fiscal year. We are, I think, setting a one-year, all-time record, if I'm correct, for supplementary expenditures, shattering all records of the late '80s and early '90s, which for years concerned us all, with Alberta's fiscal performance. It's a worrisome trend. The previous record I think was held by the fiscal year preceding the one we're discussing. So the last two years have been suggesting a dangerous trend for Alberta's fiscal management, that is, I'm sure, a concern for us all here. It suggests a drift into short termism, that is dangerous for any organization and particularly a large provincial government with a great deal of money in its pockets.

It also worries me that we are consistently now perhaps degrading or debasing the budget process. At one time I recall that budgets by the provincial government were taken extremely – extremely – seriously. I'm concerned about the way spending announcements are handled now, the scale of special warrants and such, that the budgeting process in fact no longer has the credibility it once had, and that budgets are not taken with the seriousness they once were taken.

In looking at the specific items in the bill, my eye is drawn of course to far and away the largest item: Infrastructure spending \$406 million, which is, I believe, for energy rebates. It's not clear at all from the bill whether the rebates are for gas or for electricity. The detail simply is lost in this, and gas and electricity rebates are combined in a price tag of \$400 million, a huge amount of money. I'm uneasy. I very much feel like this bill really must separate the expenditures on these two areas.

The energy rebates on natural gas may well be justifiable. We are enjoying record prices, record revenues from natural gas sales. It's our wealth, and one way or another it should be shared with all Albertans. On the other hand, if a sizable chunk or indeed any of this money is going to electrical energy rebates, I simply could not support that, or I'd be very concerned and very interested to see what the amount is. Our electricity crisis is of no benefit to any Albertan except the shareholders of a few companies. It's a self-induced crisis. It is not happening in other parts of Canada, and if we are voting here on a bill that is trying to lose the detail of that in the general line item, I am very uneasy.

I would remind all colleagues here that certainly Alberta's economy is strong, but demand for electricity actually grew at more than double the rate that it's been growing in the last few years in the 1970s. It grew in some years more than 10 percent a year, whereas currently it's been only growing at 4 or 5 percent, yet the old regulated system was able to manage that growth without any crisis at all, without any surge in costs or rolling blackouts and so on.

So I am very concerned that the \$406 million line may conceal a substantial amount of spending on electricity rebates and we will never know the full cost of our misadventure into electricity deregulation.

With those comments, Mr. Speaker, I will wrap up. Thank you.

[Motion carried; Bill 5 read a second time]

Bill 6 Appropriation (Interim Supply) Act, 2001

THE ACTING SPEAKER: The Government House Leader on behalf of the Minister of Finance.

MR. HANCOCK: Thank you, Mr. Speaker. It gives me pleasure as well to move for the consideration of the Legislature this afternoon Bill 6, the Appropriation (Interim Supply) Act, 2001.

I won't say much about this bill because we'll be spending the

next month on the estimates in Committee of Supply, on the full budget that was tabled by the Minister of Finance just this last Tuesday. But in anticipation of the usual discussion on interim supply, might I just say that the numbers are as large as they are because many of the payments that are made by government are made in the first quarter of the year, so grants that are given out to various organizations and government structures, et cetera, aren't done on a per diem basis equally across the year but quite often are paid out in bulk at the beginning of the year, or a good chunk of them are paid out in bulk.

So when you do an interim supply, there should be no surprise that one sees large numbers in interim supply. It doesn't mean that we want to in any way reduce the discussion that's going to happen over the course of the next month in Committee of Supply, in discussion on the budget itself. The full details of the budget have been tabled. All the business plans have been tabled. This bill really begs no discussion whatsoever, because it's really just to allow the government to continue to operate as we conduct the ordinary business of the House over the next month and discuss the real budget.

Thank you, Mr. Speaker.

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

MS CARLSON: Thanks, Mr. Speaker. Well, that was an interesting tale that we just heard from the Government House Leader, but I'm not buying it, and I don't think too many other people would either.

DR. TAYLOR: I did.

MS CARLSON: Well, I think we've got two on the front bench, Mr. Speaker, but the rest of you guys are a little smarter.

AN HON. MEMBER: No, no. Three.

4:10

MS CARLSON: Oh, well, I knew that one was coming.

Mr. Speaker, I'm happy to be able to speak to Bill 6, the Appropriation (Interim Supply) Act, 2001. You know, traditionally on this side of the House – and that'll apply to you guys too – we support these bills because we don't want government to grind to a halt. But we're always concerned about the lack of accountability when the government rolls in with a big money bill at the very beginning of the budgeting process. I think the concerns for us are around whether or not the government can then say that they are good stewards of a province when they need to ask for interim supply dollars.

There are other options. We know what the provincial year-end is. The government can count, and they can count backwards too, Mr. Speaker. So when they know what the year-end is, they should be able to count backwards and figure out how many days we need to talk about the budget, bring it in at that time so that we can have this all over and done with before the year-end and we don't have to talk about interim supply at all.

MR. HANCOCK: I knew you'd rather not have an election, but we did have one.

MS CARLSON: Well, you had some flexibility when you called the election too, you know. I like door-knocking in January. That's a great time to be out there. We could've done that and been back in here.

I think that's always the concern for us, Mr. Speaker, that when you bring in a big budget like this, there's a concern that the government isn't acting as a proper steward and that we have a lack of accountability in the reporting of what's happening and that there isn't really an opportunity to debate. Yes, we've got the paper in front of us, but that's not the same as being able to sit down, send that stuff out to stakeholders, get their comments back, and talk to the ministers and department staff and find out just what it is that's going on and what the expectations are for the next year and actually debate. That is supposed to be the purpose of this Assembly, to debate issues and not to rubber-stamp them.

Certainly one of the reasons why we have an Official Opposition is so that all expenditures of the government can have a sober second glance and that decisions can be made based on comment and feedback from everyone in the province, not just those who agree with the government but those people who feel that they aren't represented by the government or who occasionally have differences of opinion with how things are brought forward. So I think that's why it's very important for us to understand that scrutinizing these budgets is important, on a line-by-line basis, on a basis to be able to take them out to the community and get the feedback and then discuss them. I think that's something that gets missed.

Certainly when we see the way the expenses are now being presented under appropriations – operating expense and capital investment, nonbudgetary disbursements, and lottery fund disbursements – they become meaningless in their representation when we see that the government is moving to have the ability to transfer money between programs and within ministries as well. It looks like it's a move to combine these operating expenses and capital expenses in single votes so that we can avoid coming back to the Legislature for approval of supplementary estimates, one more way of removing the scrutiny of the people of the province from the operations of the government, and that's a concern. I think that we need to be talking about these dollars. What happens when you do that is we see a reduction in transparency, and it certainly isn't fiscally accountable, and I think that it isn't what people expect of this government.

If I have been listening to the Premier over the last eight years or so, transparency is a theme that he likes to talk about, and that reduces, in fact, if not eliminates, a large degree of the transparency that should be here and I feel has been committed by the Premier. So I would like to see us move in that direction.

We've seen the Auditor General, Mr. Speaker, and the Financial Review Commission recommend the separation of these operating and capital expenses. You see that in all organizations outside of government agencies. It's an important tool that can be used in measuring performance, in measuring the strength of the government, in measuring their long-term capabilities and the potential for shortfalls or concerns in the near future, not just in terms of scrutiny by the opposition but in terms of strengthening the way the government itself reports and measures their performance, particularly in terms of being able to evaluate the effectiveness of programs. We see a lessening of that happening when we see operating expenses and capital expenses collapsed into a single vote. It's a dangerous direction to go in, Mr. Speaker, and I'm hoping it's the only time that we see this happen. I think that's a real problem.

We have to ensure that we do everything we can in this Legislature, regardless of which side of the House we sit on, to ensure that openness and accountability and transparency and strict fiscal discipline is imposed on the government, the Premier and the ministers, those who operate these large budgets, to ensure that the people get their money's worth, Mr. Speaker, and that the dollars spent are accounted for and that there's good value there, the basic

premise of good accounting principles, certainly a theme that the Auditor General likes to talk about and one that we should be supporting.

Another concern I have is the amount of dollars that are asked for in this budget. You know, we've seen the dollars being asked for in interim supply gradually creep up on this government. The first years I was in here it wasn't that much money. We were talking 10, 12 percent, something more appropriate to one month's operation of the Legislature. What we saw last year was 25 percent requested for the operating expenditures. [interjections] Well, I hear some chirping from the other side.

If we take a look at these budgets line by line, we can see that there are disproportionate amounts being asked for from different ministries. It would be nice to find out from those ministries why it is that some require a large amount of funds at this stage. [interjection] I think it is very relevant that we have that information and we know how the operations of the various departments are functioning and why and when they spend their dollars. I think that's a very appropriate request.

Last year in the interim supply budget we saw requests for 25 percent of the annual budget. This year it's up to 36 percent. What's the difference for, Mr. Speaker. We don't see an explanation coming from the Finance minister or her representative today on this particular issue. We're talking about an 11 percent increase in the number of dollars that are asked for in the first six weeks of this budget year, and that's a big change. Thirty-six percent. We're creeping up toward that 50 percent amount, and it's a serious concern.

This government likes to say that it operates very much like business does, but you sure don't see business operating like this. You know, we hear from the Premier all the time that expenditures are linked to outcomes. Well, how can that be when 36 percent of the money you're requesting is asked for in the first six weeks of the budget year? We don't see any outcomes for that. I don't see anything in this bill that tells me what the outcomes are going to be for that kind of an expenditure of money, Mr. Speaker, and I think it's a reasonable expectation that we should have that kind of information.

In fact, when we get into the detail of the budget, we'll see that the outcomes, as the Auditor General is quite fond of saying, don't often match up to the expenditures or the performance indicators as he sees them. So I think that's also a concern that needs to be talked about.

What we have when we see a government coming in and asking for this much money in an interim supply bill is, I think, an erosion of public confidence in the ability of the government to manage those dollars that they have been entrusted with. It isn't fiscally responsible. I ask anyone in here if they spend 36 percent of their annual paycheque in the first six weeks of the year. I don't think so. You can't manage like that. How does the government think they can?

What that premise is based on, then, is that we're going to see windfall revenues again. I say, nothing wrong with windfall revenues. We're a lucky province to have those, but when you start to incorporate those into the base operating costs of your budget process, you set yourself up for failure. We've seen time and again the kinds of peaks and valleys that the Alberta economy has had because we are so dependent on oil revenues. If we tie expenditures to those peaks, then they follow us into the valleys, and we end up with these huge deficit years, which are, I think, a real problem.

4:20

The inability to debate the amount of money that we're talking

about today is a concern. The amount of time we've had this afternoon is less than an hour of debate on big dollar amounts and areas that cross many ministries, Mr. Speaker. I think that that's a problem. When you're talking about 36 percent of the dollars put in, we should be talking about an ability to fully explore this information and get the feedback and information. [interjections] I hear more chirping from the other side. I hope those ministers get up and respond, Mr. Speaker. We'd certainly like to hear from them.

I think that when we see this much of a budgetary request in interim supply, we also have questions around the integrity of the process. If you're asked to spend the dollars before the detailed questions are asked and answered, then why go through the exercise of business plans at all? Are the business plans just window dressing, or do they have some purpose?

Business plans are tied to the expenditures. As the money goes out, the government should be meeting the goals as outlined in the business plans. It can't happen when more than 25 percent of your budget is expended in the first six weeks and the dollars are asked to be supported at that time. So I think those are issues that need to be talked about here.

We see that some of the expenses voted here in interim supply are really interesting. Agriculture: they're asking for 51.9 percent of their budget. Why is that, Mr. Speaker? That's a lot of money up front. There are a few of these particular ministries that are up in the 50-percent-plus category. Another one is Aboriginal Affairs and Northern Development. Maybe that minister could respond and tell us why they need 58.1 percent of their dollars up front. One other one that I saw is really high. Environment, 42 percent. What are you guys going to be doing over there? It seems like you're underfunded. I don't disagree with that at all, but that you're going to spend most of your money in the first six weeks of the year is interesting. There can be reasons . . . [interjection] Well, I think that would be an interesting explanation to see you stand up here and give. Let's talk about that.

Finance: how can they be spending 48.5 percent of their budget in the first six weeks?

Infrastructure, 68.5. That one's a little more explainable. I think, Mr. Speaker, that we've heard the Premier talk about the dollars that they're going to be spending on expanding the Canamex highway, and that isn't all that bad an idea. So you can see that in that particular instance we've had some work-up to the reasons why the dollars are going to be spent and spent quickly and spent early.

What about an explanation for the rest of these categories? It's certainly justifiable to ask for that information and quite appalling that the government isn't prepared to do that. So, you know, that's a good question that needs to be answered.

Some of these are under budget, but Municipal Affairs also is asking for 43.6 percent. Sustainable Resource Development. This is pretty good, you know. Environment and Sustainable Resource Development are getting a whole whack of money before the first quarter of the year is up. I hope that means that they're going to be coming back for supplementary supply dollars later in the year. Those are two of my favourite areas, two that I think are completely underfunded, and we would like to see that there's a little bit more money spent there. So I'm looking forward to seeing what happens there.

There's one other issue that I'd like to talk about before I take my seat, Mr. Speaker, and that's the business plans themselves and the problem that this government has really with the effectiveness of program delivery. You know, what we're seeing is a government that's committed to measuring performance – or they say they are committed to measuring performance – but in fact has missed 264 of its performance measures in the past four fiscal years, enough for

the Auditor General to dedicate a serious portion of his report to and something that I think we as Albertans and legislators have to be very concerned about.

What are they doing with this information that they can't meet these performance measures? Is the premise that they're building the performance measurements on incorrect? Are they not measuring the things that they can actually deliver as a government? I think those are the kinds of questions that we have to talk about.

We've long said that input should be tied to outcome. That's a basic business premise, and it's the reason why they went to these business plans in the first place. Somehow it just doesn't happen and particularly doesn't happen in interim supply. We see no performance measures tied to the dollars that are spent here. So that's a question, because they're spending so much of the money in the up-front part of the year, and it's something that needs to be done.

We see that we don't have any programs specified in these ministry votes, no means for us to measure progress in the way that they are identifying their goals. That's a concern for us. When you just come out and ask for the money like this, we don't see objectives, we don't see strategies, we don't see benchmarks, and we don't see targets, all clear deficits of this particular process, Mr. Speaker, and something that I think needs to be addressed in the process of how interim supply requests come through.

The biggest concern for me certainly is the percentage of the budget that they're asking for, not the number of dollars, even though \$7 billion is a lot of money and is probably larger than the entire budget for a year for some of the territories that we have in this country. A lot of money, but that's not the question here. It's the percentage of the budget that they're allocating in the first six weeks of this particular budget year that is cause for concern. It means that they're not being accountable, and it is not supporting prudent financial management and fiscal responsibility.

Fiscal responsibility and prudent financial management require the establishment of mechanisms within the budgeting process that do a few things, Mr. Speaker. They protect the fiscal bottom line, something that this government is quite happy to talk about, but also sustain other investments. When we see the kind of drop funding that happens with this government, then what we don't see is a move towards a social or a fiscal balance that helps us support a very healthy community in the long term.

Those are the kinds of concerns we have. We think we bring up those concerns on behalf of many people throughout this province, and certainly I welcome the opportunity to have added my comments.

Thank you.

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

DR. MASSEY: Thanks, Mr. Speaker. I, too, would like to have an opportunity to comment on Bill 6, the Appropriation (Interim Supply) Act, 2001.

I'd like to restrict my comments, if I might, to the kinds of issues that were raised by the Auditor General in his most recent report, because we come to this request for money out of the context of the Auditor General's last review of budgets. He made a number of recommendations that I think were important recommendations, and by passing this particular bill this early in the legislative session, the opportunity to try to make some judgment about whether or not the Auditor General's recommendations have actually been followed is somewhat curtailed.

He did make a number of important points in his report, and one

of those was that the performance objectives in the business plans of this government are really a contract between the Legislature and the public. He went on to further state that when those performance measures were not clear and were open to interpretation, that contract was not being honoured. I think as you read through the report, the different departments and his comment on them, you can see that performance measures are still a problem for the government as far as it concerns their business plans.

4:30

Having adopted the performance measures paradigm or strategy for budgeting, I think it is incumbent upon the government to at least do the best with that model that can be done. It's a model that I think has been rejected in other places as being inadequate and supportive of values that don't always make people comfortable, but having adopted it, I think the obligation is to make sure that it works and works well.

The Auditor General did indicate that the Treasury had a responsibility to work with all of the government departments to make sure that those performance measures were ones that were useful and, again, honoured that contract between this Legislature and the people of the province. The Auditor General indicated that targets weren't being set by departments, that a lot of the measurements and a lot of the targets were not appropriate, and that they didn't in fact have targets for all of the measures that were in the business plans that had been prepared. There was often failure to indicate the year in which the particular target was supposed to be met by a department. I think the charge was that a lot of departments had targets and objectives that you couldn't measure, and they didn't have any kind of measure. They would have statements that included things like "increase over time" or there will be "continuous improvement."

The Auditor General was very critical of those kinds of measures in business plans. He again made the point that if the government is going to be held accountable for the budgeting, those targets had to be precise and they had to be quantifiable. They had to be measurable if they were going to be of any use. That's a refrain we've heard from the Auditor General for a number of years, that those performance measures are still, for a number of reasons, in some cases not well written and not very helpful in terms of examining the budget.

The Auditor General looked specifically at each of the departments, of course, and each of the departments is included in this bill for funding. Departments, for instance, like Children's Services: are we assured in this budget and in this request for money that the Ministry of Children's Services can really determine whether the funds they have spent have been spent economically? In the last report the Auditor General made the statement that the department really couldn't determine that and that \$32 million was being spent by that department where that was the case. They didn't know whether or not and couldn't tell whether or not they were spending that money economically.

It's a department that depends a great deal on support services, and services to children and families require a lot of association with suppliers and support services. It's a major worry as we pass this budget that that is in fact being looked at and has been rectified, and I'll be interested in hearing the minister when she presents her budget and makes comments. I'd be interested in her remarks as to the accountability in terms of support services.

Other comments about the accounting in Children's Services that were less than flattering. There are a number of difference practices in terms of financial reporting occurring among different children's authorities, and there are different understandings within those authorities of the kinds of procedures that should be followed.

Again, a large number of concerns raised by the Auditor General about the accounting practices in Children's Services and what was being done with money in Children's Services.

One of the specifics that he talked about was that the money being allocated and actually spent by authorities differed greatly. He saw that there were some real difficulties with the basic funding formula. I know the funding formula is under review and is being changed. There is a process in place for adjusting it. It still remains a problem that the department still doesn't have a handle on the funding formula. They are taking measures to enhance it, and I think we'll be interested in hearing what those measures are.

The Auditor General also talked about the financial statements. It doesn't concern us at this point as we look at these estimates, but it is something we'll be looking forward to as we look at the larger budget.

One of the major concerns in the Learning department and now Infrastructure was the lack of any long-term plan for capital planning for school facilities. This, again, has been a problem that's been with us for years; that is, there's no long-term planning for Infrastructure. We had the freeze on infrastructure followed by some doling out of some money, but the whole business of school buildings is still causing many communities a great deal of agony.

Those new communities that don't have schools: each school in those communities seems only to be gained by a great deal of citizen participation and lobbying of local boards and provincial government. We saw the agony of the residents surrounding the Alex Taylor school recently on television as those citizens lost their school. That hardly seems to be the way to run an infrastructure program, when one community gets a school at the expense of another community losing theirs.

Again, the Auditor General's recommendation that there be a long-term plan I think is one that would be echoed by school boards and by citizens across the province. They would at least know what the rules are going to be that they're playing by in terms of school facilities. I think it's because the government hasn't addressed some basic problems. Do they believe in neighbourhood schools? Is that something they value and will support with resources? It seems at this point that that whole notion of neighbourhood schools, at least in urban areas, is being rejected.

I think it is even more acute in rural communities. I have a file folder of letters and e-mails from citizens across the province who are alarmed at the state of their local school and the money needed to upgrade it. That's in the context of the fact that they might lose the school completely by closure. Some great worries in terms of what that does to their community. Many of them in that file predict that if the school is lost, the community itself will be lost. I think that's really very unfortunate because we can do much better as a province. Again, the Auditor General, in looking at the budget and reviewing the budget, made just those observations, that there has to be a strategic plan for infrastructure or for schools in the province.

4:40

A couple of other comments. The Auditor General devoted some parts of his report to graphing or charting the number of recommendations he or other Auditor Generals before him had made over the years that were just repeat recommendations, year after year. I think when we are looking at these appropriations, it's an opportunity to revisit them and to see what they are.

Some of the ones for Children's Services have been repeated at least twice in the Auditor General's reports. One in particular is that "we . . . recommend that each Authority develop an appropriate number of performance measures to monitor the effectiveness of services." There's been difficulty with performance measures being unrealistic. I think the comment was made that there were so many performance measures that there was no chance they were going to

all be measured, that some of them were vague, and that some of them were actually inapplicable. So that's a persistent theme through three of the Auditor General's reports about the Children's Services department and the state of the performance objectives they use as the base of their operations.

He's asked that the Department of Environment put in place some system for monitoring the delegated administrative organizations. That's been lacking, and again it's been the subject of a couple of Auditor General's reports. When we look at these estimates, we do it in a vacuum, not knowing whether that kind of attention has been given to this request for money and that that money has been spent within the context of the Auditor General's recommendations.

The health department has had a number of recommendations repeatedly from the Auditor General, according to his graph. One of them has been "that the Department of Health and Wellness and health authorities implement a . . . strategy for improving the implementation of . . . business plans." So we spend all this time in the authorities putting together business plans with a great deal of work and with a great number of resources brought to bear on it, and how well they work is in question. Some of them actually have to be changed quite dramatically if they're going to be really useful in delivering health services to the public.

The reporting of costs of key service outputs by health authorities has also been the subject of at least three Auditor General's reports. The need to make sure that those costs are actually determined with some accuracy and are helpful in terms of budget planning seems to fall on deaf ears.

Another related recommendation in terms of the department of health concerned the utilization and costs of health services. Without that information, the allocations of funds to help authorities were very chancy. If you don't know what it actually costs to render a service, then how do you actually prepare plans that have targets that involve those services? It seems it's an impossible task, or it ends up being a paper task that has no bearing to the reality or to the operation of health authorities.

The Department of Justice: a recommendation that they "report the results and costs of its fines collection activities." We'll be looking forward to looking at the budget to see where that's accommodated in the business plans and the measures that are there.

A couple more in terms of the Department of Learning. It's again going back to the recommendation about capital funding. I guess this recommendation now is directed toward the Infrastructure department, and the chart has been in at least the last three Auditor General's reports, that there be some long-term planning for school facilities and that that be in conjunction with the strategic plan for the delivery of education, and, again, that some of those decisions be made in terms of how we are going to deliver students' programs in this province both in urban and in rural areas.

There were a great number of recommendations that were related to the operations of the University of Alberta. The Auditor General had a wide range of questions about the university and its financial operations, and I believe that that's something we will be looking at very closely as we examine the larger budget estimates this year.

So the appropriation bill is before us, Mr. Speaker, and it's before us without a lot of justification or input by ministers in terms of amounts that have been spent, certainly very little airtime in this Legislature in terms of that money and how it fit into the goals and aims of the particular departments. I think that that's unfortunate.

With those comments, Mr. Speaker, I'll conclude and look forward to the full budget debate when we get into the estimates. Thank you very much.

[Motion carried; Bill 6 read a second time]

Bill 7

Regional Health Authorities Amendment Act, 2001

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

MR. MAR: Thank you, Mr. Speaker. It gives me pleasure to rise today and move second reading of Bill 7. Bill 7 is the Regional Health Authorities Amendment Act.

Mr. Speaker, Bill 7 will change the Regional Health Authorities Act to allow us to set limits on candidate contributions and require an accounting of contributions in this fall's regional health authority board elections. It will also amend the Local Authorities Election Act by removing some unnecessary provisions relating to regional health authorities and outdated provisions relating to hospital and nursing home district boards. My colleague the Minister of Municipal Affairs has responsibility for the Local Authorities Election Act, and I'm pleased to present these particular amendments to Bill 7 on his behalf. In all, Mr. Speaker, the limits, restrictions, and requirements we propose will be based on those that govern our own campaigns for membership in this Legislative Assembly. Those requirements ensure the perception as well as the fact of independent and nonpartisan campaigning.

The health authorities elections are fast approaching, and the nomination process has already begun. We need to ensure that all the rules are in place so the election process is uncompromised. We want to set the structure that will permit us to make those rules so that we can move forward and focus on the important matter of the election itself. Bill 7 is a necessary step towards creating this structure.

The first amendment allows us to require the disclosure of all records related to election finances. This process is similar to the provision applying to our own records as MLA candidates.

The next amendment is really the crux of what this bill is all about. It amends the Regional Health Authority Act to give government the authority to make regulations regarding the contributions themselves.

I would like to stress that the amendments I propose simply allow these rules to be established. With the approval of these amendments by this Assembly we will set out the rules that will govern who may make or accept a contribution, the timing and manner of making contributions, maximum amounts of these contributions, and penalties for violation. Also, we must address the holding and disposition of surplus contributions and how to act on contributions made in contravention of the regulations. We must define how contributions should be held and accounted for. Other regulations need to specify how election finance records should be kept and identify consequences of an elected regional health authority member failing to submit audited financial statements of election finances. I repeat: establishing the rules to effectively govern candidate contributions in these elections is essential to the integrity of the process. With the changes I've outlined in Bill 7, we will have the authority to make those rules.

Having said all this, I ask the support of members of this House for second reading of Bill 7.

4:50

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

MS CARLSON: Thanks, Mr. Speaker. Happy to stand one more time this afternoon, this time to talk on Bill 7, the Regional Health Authorities Amendment Act. There's no doubt that this is a bill that we have been waiting for for some time, and it's nice to see that we

finally have it before us and in a time frame where we can take this bill out and show it to Albertans, have some discussions with them, and look forward to their feedback before it actually will be passed in this House. So we're happy to see it printed and having been presented for first reading and now second reading. I'm sure that when we get to the committee stage on this bill, there will be a great deal to say about it, because it's been a discussion that Albertans have been having for some years in this province.

At least what we're seeing here are regulations with respect to the election finance rules, but I have to say that, even so, I do have a few concerns, just in the first cursory glance I've had at the bill, that I would like to talk about. Let's talk a little bit about the background of this bill before we get there.

We've seen this government promise RHA board elections since at least 1997, and there was lots of discussion about that before that time period in this Legislature. I can remember some of our good friends and good friends I think on both sides of this House – Nick Taylor, Bettie Hewes – talking about how important those kinds of elections would be in terms of increasing the efficiency and the ability of the hospital boards to be able to operate. So I think that's a good step.

We were told at that time that we were going to see these RHA elections in 1997, and of course as we all know, that didn't happen. There was some kerfuffle throughout the province at that time, lots of interesting feedback from people about the lack of actually putting those elections on the table at that time and some discussions about how the government would be prepared to move forward in the future.

It's nice to see that we're going to see those elections this fall. We're at the end of April. Those elections happen early this fall. It isn't very much time to get all the rules in place, all the candidates in place, and to ensure that we'll have accountability, transparency, and no conflict of interest in those elections and with the people who are running in those elections. So it's a little bit of a concern to me to see that once again we have what is in effect quite a flimsy bill for the kinds of issues and rules that'll have to be reviewed when it comes to putting these elections in place. That is one concern that I would like to put on the record.

There are many issues, we think, that are outstanding surrounding the impartiality of the election process, and that's going to be a key feature of the outreach we do to people throughout this province when we ask them to comment on this bill.

You know, one of the most important things that we can ensure in a democratic province and country is that there is impartiality in the election process. A concern that I have when I take a look at this bill, right off the bat, is when we get to section 4, where it talks about who can and who cannot run in this particular election. Mr. Speaker, we are talking about elections for the regional health authorities, where it looks like the government already has changed the rules about who can run. Now it looks to me that people who were specifically excluded before are now going to be allowed to run, so we're going to be for sure looking for clarification on that.

If we take a look at that section, it talked before about who was not eligible to be nominated as a candidate. Those were: if "in the case of a district board election," a person or their spouse

- (i) is a physician and a member of the medical staff,
 - (ii) is a dentist and a member of the medical staff or dental staff,
 - or
 - (iii) is an employee
- of a hospital or nursing home in respect of which the election is being held.

So good news. Previously those people were excluded from running to run the regional health authorities because, you would

think right off the bat, there was a huge potential for conflict of interest here, Mr. Speaker. Certainly that is a situation that nobody in this Legislature should even consider in their wildest expectations would be reasonable to support. So that's something that we're going to be getting lots of feedback on, I'm sure, and certainly some legal opinions on what kind of eligibility there should be or restrictions on those people if they happen to be elected.

You think about the regional health authorities and how they're operating now. If you put key people on the board, one or more who have a strong vested interest in the running of any kind of medical services within the community, we could see all kinds of problems perceived and real coming up that could be serious conflicts of interest. So I think that's something that's going to require a great deal of information on and discussion about before that particular part of this bill can be passed. Quite likely it's a situation where we will see an amendment coming forward from this side of the House.

Sometimes what's happened in the past, Mr. Speaker, a very good thing that's happened, is that we've talked to the government about parts of bills that we don't like or that we are finding that the community is finding problematic. Sometimes government members will go home to their constituencies and find out that the people they're talking to have the same kinds of concerns, and a discussion begins around how to eliminate that particular concern from the bill so that there can be otherwise general support for the bill. Sometimes we've seen that rather than us bringing forward an amendment which inevitably is defeated in this Legislature, the government will draft an amendment of their own that will delete or change the specific section in the bill, which will make it a lot more acceptable to us and to other people throughout the province.

So I would like to raise a red flag right now on section 4 and ask the minister to take a look at that and to get some feedback from people that he knows, not people who want to be sitting on these RHA boards but people who are concerned about the optics both true and perceived of having someone with a vested interest in the community participating at a board level in the RHAs. I think that's something that he can take a look at. There'll be some time to think about that before we get into the final stages of this bill. Certainly it's something that we're going to be running past any number of people to see how it sounds to them and whether or not they have concerns about it and whether or not we should be pursuing this in the form of an amendment of our own in the absence of an amendment from the government. So we'll see how that proceeds, but heads up on that because it's I think going to be a concern for us.

Also, this election only applies to two-thirds of the board members, Mr. Speaker, not what was originally discussed by the government or by us. So that's something that we'll be talking about, too, as this bill proceeds, that fully one-third of the members of this board are still appointed by the government.

Once again, the issues of conflict of interest, lack of impartiality, of concerns around transparency are all issues that we see when the government appoints these members. In addition to that, we've got the minister holding the exclusive right to appoint the all-important chair of each board, so many people would say that what you're putting in that chair is a puppet. So how could the minister eliminate that kind of a concern, Mr. Speaker? That's our question for him, and I'm hoping that he will address that.

Those are my opening concerns on Bill 7. I look forward to participating in the debate when it gets to the Committee of the Whole stage.

Thank you.

5:00

THE ACTING SPEAKER: The hon. leader of the ND opposition.

DR. PANNU: Thank you, Mr. Speaker. I would like to speak to Bill 7, Regional Health Authorities Amendment Act, 2001. which is going through – well, we just started, I guess, in second reading. I'm pleased to join the debate and make some preliminary observations.

Since it's a bill that amends an existing piece of legislation, it's rather light on detail, but the general principles underlying it are the ones that I would like to address at the moment. The first main concern that I have about the bill is that although it now will enable regional health authorities to have some members elected, at least one-third of those who will constitute a regional health authority past next October will still be appointed and appointed by the minister. I wonder why this departure from the established practice in this province which applies to school boards, which applies to municipal councils, and which says that all members of local government bodies such as school boards and city councils will be elected. So when we elect all of those members, I wonder why the departure from this practice in this case.

Why does this government not trust elected members to do the business of RHAs, all elected members of the RHAs, and be able to do their work in the same way that our city councils and school boards, which have all members elected by the electorate, do their business? This causes me serious concern about the real intention of the government's insistence, expressed in this bill, to be able to handpick a substantial number of the board members of RHAs. One can only speculate about the real reasons why the government has chosen this route, a route that departs, as I said, dramatically from the established practice and experience of Albertans to rely on fully elected boards to get the services and hold these boards accountable if those services are not appropriately delivered. Why is the government trying to introduce this new practice whereby it will appoint one-third of these members?

I guess we know the record of this government on its position on the future of the public health care system in this province. We know that this government rushed through this Legislature, against widespread public opposition, a bill called Bill 11, presumably to protect the future of health care. Albertans did not trust this government on that. So one of the reasons why the government is perhaps proceeding the way it is, by way of this bill, to ensure that it can handpick one-third of the RHA board members is to ensure that it can secure an overall composition of these RHAs which allows it to continue to proceed with its agenda to gradually dismantle the public health care system in this province and implement its agenda of privatization.

I am trying to fathom the reasons. I had hoped that the minister would stand up and justify and comment on this concern. I'm sure he will. He's a good minister. He's a minister that I can expect to respond point by point and seriously to the issues, the concerns, and the questions which, as the MLA for Edmonton-Strathcona and the leader of the Alberta New Democrats, I'm posing to him as he sits and listens. I know he's taking notes, which is very good.

Secondly, Mr. Speaker . . . [interjections] The minister is obviously very popular with his backbenchers. It's a good thing to know. I'm sure he'll be able to convince them that some of the points I've been making need the serious attention of the Tory caucus. So it's a good sign that he has the support here of his colleagues in the caucus.

The government, Mr. Speaker, will continue to appoint the chairs of the RHAs. That's the second outstanding feature. I am again curious and Albertans are curious why the minister has taken such awesome responsibility when he has so much work to do as it is. He's running one of the biggest departments in this province, with more than, I'm told, a \$5 billion budget that he has to look after. Why is he adding to his responsibilities?

Another onerous one is to handpick the chairs of these RHAs, which in the first place are diminished by the fact that he's going to be appointing one-third of them with his own executive authority. That surprises me again. Why? Again the question is: does the minister or do his cabinet colleagues insist that he retain this government control over these RHAs and give them, however, the appearance of being elected, yet be able to set the terms, set the agenda, through his handpicked members and the chair, of what these RHAs should be doing? That is not the way, Mr. Speaker, to practise democracy in the province.

There's nothing wrong with following the practices that we have established in this province, long-established practices of allowing elected bodies. First of all, let these bodies be elected one hundred percent, have all members elected. Secondly, allow them and put in legislation that they will be responsible for electing their own chairs of the boards. Not to do so is to cause concern. Not to do so is to raise questions about the real intentions of the government. One of those apparent intentions that comes to mind would be to be able to manipulate behind the scenes what these RHAs do and make sure that the minister has the ultimate power to make them do what the minister and his cabinet want them to do.

5:10

Mixing elected members, who have legitimate authority backing them in terms of the votes they received from the electors, with appointed members who have no such authority, who enjoy no such legitimacy is to invite the possibility that there will be difficult relationships between the elected portion of the RHAs and the unelected ones, the ones who will be appointed by the minister. One should be able to anticipate, one should be able to foresee some of these potential difficulties and tensions across these two groups, the small 33 percent appointed by the minister and the two-thirds who will say: we are here because we are elected by the voters, and we're here to represent their voice. The voice of the citizens will be set against the intentions of the minister or the deputy minister, whoever is responsible for running RHAs. Not a good start, Mr. Speaker.

So this bill is terribly, terribly flawed. It is disrespectful of existing practices which have worked for us. It denies us the opportunity to try the tried-and-true practices that have been in place and replaces them with practices that will in my view cause difficulties and at the moment are causing a great deal of concern and suspicion about the real intentions of this government, given its record on the future of health care in this province.

There is much potential for conflict here that's built right into Bill 7. The appointments of the appointed portion of the RHAs will take place after the elections have taken place. This will give ample time for the government to assess the track record, the public commitments made by the elected members on each RHA. Thus the minister will have the opportunity, if he so chooses – and I'm not suggesting that this minister will definitely go that route, but the legislation before us gives him the powers to do so – to appoint the rest of the members in such a way as to balance the proclivities, the commitments of the elected members to neutralize any serious opposition that the department or the government or the minister may perceive may arise to the government's own plans to continue to privatize the health care system.

This feature again causes me to wonder, and I'm sure the minister will be replying to some of these concerns that I have. This ability to survey beforehand the composition, the makeup, of the elected portion of RHAs certainly suggests that the government is interested in ensuring that there's a progovernment net balance in these RHAs. That doesn't speak well for this government's own plans and certainly doesn't speak well for this bill. The government is afraid

of losing control of the boards because poll after poll of people in Alberta show they retain a major commitment to universal public health care, and they could very well lose control. The government could very well lose control if they had fully elected boards.

I will conclude my short comments here, Mr. Speaker, and I'm sure I'll have an opportunity to say more in the later stages of the debate on this bill.

Thank you.

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

DR. MASSEY: Thank you, Mr. Speaker. I appreciate the opportunity to make some comments on Bill 7, the Regional Health Authorities Amendment Act, 2001, at second reading. Of course, at second reading we are supposed to confine our comments to the underlying principles of the bill, and I think that if you look at some of the principles that underline this bill, you can't argue with them.

The principle that seems to be embedded in this, at least partly, is that citizens should have local control over health affairs in their communities. Given the state of the health care system the last number of years, that's a principle that should be heartily endorsed. Citizens have been faced with hallway medicine, with long waiting lines, with services that are rendered to them in other communities rather than their home community, a whole host of problems that the central health authority hasn't seemed to have been able to deal with. I'm sure that citizens will feel much more comfortable knowing that there are local representatives who have some control over affairs and whom they can go to. These will not be remote figures in Edmonton for the most part. These will be local individuals known in the community and approachable by citizens with their concerns.

So I think that whole notion of more local control is one that has to be applauded. But – and it's a big but – the notion of limiting it to one-third and two-thirds is really very difficult to understand. It's like the government doesn't quite trust democracy to work as far as regional health boards are concerned, and they want to make sure that they have at least some control over the actions of those boards. It's a rather curious sort of ratio that they've come up with, and I look forward, I hope at some point, to hearing an explanation as to why that one-third/two-thirds ratio was the one that was chosen. You know, it really does sort of put a caveat on the whole notion of democracy and local control over health affairs.

There are some underlying principles concerning conflict of interest on boards that are rather interesting given the changes that have been made, and I think the changes are healthy in terms of some of the individuals. I found it hard to understand why an employee of a long-term health care authority would be excluded from sitting on a board. Having had some association with one of those facilities now for the last couple of years, I think the same rules should apply to employees of the health care system as apply under the Local Authorities Election Act to teachers who run for school boards. I know that that has been raised as an issue by some across the province, but in terms of faith in democracy and allowing citizens the widest opportunity to exercise themselves as citizens, I think that in the long run the few people that would be excluded from running under those kinds of rules have not been worth the kinds of problems that they've raised. So I'm pleased that it's been changed and that the eligibility has been opened up to the full range of citizens and that there aren't particular groups being excluded on the basis of their occupation and their association with the health system. In fact, in terms of the case of school boards, teachers who are on those boards I think have made some valuable contributions when you look back at various school boards across the province and

some of the innovations that they've been able to undertake. The insider knowledge is, I think, often very useful to boards.

It's going to be interesting in terms of how the appointments will be made, and there's an opportunity here, I think, for the government to soften some of the criticisms of the appointment pressure by taking and appointing an independent body and having people who would be appointees apply to that body and have that body responsible for health board appointees. It's one that we've suggested, for instance, for boards of governors for educational institutions, and I think that kind of mechanism could be put in place fairly quickly.

MS CARLSON: Tell us how it works. I don't know.

DR. MASSEY: Well, I think the notion is that if I were interested in being appointed to a health authority, there would be an independent board that I could apply to, much as if you want to be appointed to a board of city council. There's a group that overlooks those appointments. You make your application. That group then has an opportunity to compare applicants and their suitability for serving on such a board and to make the recommendations on merit rather than having those appointees serve under the cloud of having been appointed because they are a friend of a particular member of the government or have expressed political views that are consistent with the government's views which makes them a candidate for those reasons rather than because they have certain skills that they can bring to the board that are needed in terms of the kinds of decision-making.

MS CARLSON: Who would sit on that committee to decide if they could apply?

DR. MASSEY: I'm not quite sure.

I was trying to think of what it might be like to serve on a board where a third of the members were appointed, and I think it would be an interesting experience, reflecting back on my experiences as a trustee, having had a third of them appointed would have caused additional friction. Often boards serving local interests act in ways that are inconsistent with the way the government would have them act, and that kind of independence I think is going to be hampered by having members that are government appointees. The chances of one of those boards standing up and actually taking an independent stand is going to be compromised. It's going to be much less likely to happen with government appointees on it, and maybe that's the purpose of having the government appointees on the board in the first place. I think it's going to be an interesting experience to sit on a board that is set up in just that way.

5:20

I think those three principles, the notion that local citizens should have control over health affairs in their community, the principles underlying conflict of interest – the principles concerning democracy itself are embedded in this bill, and I think it would be interesting to put the kinds of experiences that other boards in the province have had against what's proposed for the health authorities and look at the experience they've had and then to try to make some predictions as to how well these boards are going to operate. It'll be also interesting to see what kinds of regulations the government makes in terms of the provisions for the elections that are out.

Some packages were delivered to our constituency offices outlining some of the details of health board elections. It's interesting that the information coming out is that in some of the regions, at least to this point, there hasn't been a full slate of people come forward saying they're willing to serve. That may be partly because

of the short time lines and the fact that there hasn't been a great deal of public discussion in terms of the responsibilities and the duties of people that are elected to these particular authorities. What are they going to do? I look back on my own experience on the school board, again having gone into that with little knowledge of what was expected. I suspect that that is what's holding up a number of people in terms of putting their names forward.

That poses an interesting question. What happens if there's not a full slate of candidates for the board? What actions will be taken? Will the list of appointees be expanded? What accommodation has been made should there not be a full slate? I think it's a concern that may have to be faced.

The new boards, of course, are going to face some pretty horrendous problems, given the state of health care in some parts of the province. I think we can look forward to the same kinds of difficulties that the children's authorities have had in terms of the different regions working with each other and the kinds of agreements that are going to have to be made when citizens move or are served in one health authority and are resident in another. I think that those will

be problems that we can anticipate, will be some of the very first problems that those authorities have to deal with, that whole notion of boundaries and the kinds of problems that those boundaries can present in terms of the delivery of services.

I think we can gain from the experience of the children's authorities. There are going to be some interesting questions in terms of the allocation of resources to the health boards and on what basis those allocations are going to be made. I think we can expect – because many of them will be new boards – there'll be some of the problems that children's authorities have had with reporting and the financial affairs of the authorities. Those will be growing pains that these new authorities will have to work through. We do have some experience now with the children's authorities that they can benefit from. I enumerated some of those earlier in the afternoon, Mr. Speaker, when I looked at the recommendations of the Auditor General. So I think that there's experience that these boards can learn from.

[At 5:30 p.m. pursuant to Standing Order 4 the Assembly adjourned to Monday at 1:30 p.m.]