

Legislative Assembly of Alberta

Title: **Tuesday, May 1, 2001**

1:30 p.m.

Date: 01/05/01

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

Let us pray. Dear God, author of all wisdom, knowledge, and understanding, we ask Thy guidance in order that truth and justice may prevail in all of our judgments. Amen.

Please be seated.

head: **Introduction of Visitors**

THE SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. It's my great pleasure today to introduce to you and through you to the Members of the Legislative Assembly a number of international visitors who are here with us today and seated in your gallery: the Hon. John Aquilina, Member for Riverstone, Australia, and Minister for Education and Training, whom I will be meeting with later today to discuss a number of issues relevant to education. Mr. Aquilina is joined by his wife, Anne, and his chief of staff, Michael Waterhouse. I'd ask them to please rise and receive the traditional warm welcome of the Assembly.

Mr. Speaker, our next international guest in your gallery is Maria Jose Viana, Secretary of Education, from Alagoas, Brazil. Ms Viana was sponsored through the Rainbow of Hope for Children in Wainwright to speak at the ATA learning network global environment and outdoor education conference in Canmore, April 26 to 29. Accompanying Ms Viana is George Bunz, president of the Rainbow of Hope for Children, and her interpreter, Anna Driedgr. I would ask them to rise and receive the warm welcome of the Legislative Assembly.

MR. DOERKSEN: Mr. Speaker, I'm pleased to introduce to you and to members of the Assembly today Mr. Colin Robertson, who's the Canadian consul general stationed in Los Angeles. This is Mr. Robertson's first official visit to Alberta since his appointment, and we're pleased to welcome him. California is Alberta's second largest trading partner, with exports totaling \$5.1 billion last year. It's a strong, dynamic, and growing relationship, but there are certain ways to expand and improve it, especially in the context of the recent discussions about continental energy supplies.

There are also numerous opportunities for further partnership between Alberta and California in natural gas, high technology, education, agriculture, and particularly with respect to our Supernet initiative, where there are excellent opportunities. The consul general's visit is an excellent opportunity to discuss these areas and ensure Alberta has a strong voice in California. We look forward to building a strong and productive relationship with Mr. Robertson in the coming months and years. I would ask that our honoured guest please rise and receive the traditional warm welcome of our Assembly.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Edmonton-Beverly-Clareview.

MR. YANKOWSKY: Thank you, Mr. Speaker. I rise to present a

petition signed by 15 residents of Slave Lake, 132 residents of Lethbridge, Fort Macleod, and Coaldale, and 940 residents of the city of Edmonton. The petitioners are asking the Legislative Assembly of Alberta

to urge the Government of Alberta to introduce amendments to the Human Rights, Citizenship and Multiculturalism Act to allow Alberta health professionals to opt out of those medical procedures that offend a tenet of their religion, or belief that human life is sacred.

head: **Reading and Receiving Petitions**

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

MS CARLSON: Thank you, Mr. Speaker. I would ask that the petition I presented yesterday now be read and received.

THE CLERK:

We, the undersigned residents of Alberta, petition the Legislative Assembly of Alberta to urge the Government to ensure that maximum penalties are enforced for all crimes committed with weapons and that all youth involved in weapons related crimes be tried in adult courts.

head: **Presenting Reports by Standing and Special Committees**

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

MR. HUTTON: Thank you, Mr. Speaker. As chair of the Standing Committee on the Alberta Heritage Savings Trust Fund I would like to table the report of the Standing Committee on the Alberta Heritage Savings Trust Fund for the 2000-2001 fiscal year.

Thank you, Mr. Speaker.

head: **Notices of Motions**

THE SPEAKER: The hon. Deputy Government House Leader.

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

head: **Introduction of Bills**

Bill 8

Alberta Corporate Tax Amendment Act, 2001

MR. McCLELLAND: Mr. Speaker, I request leave to introduce Bill 8, being the Alberta Corporate Tax Amendment Act, 2001.

This bill implements reductions to corporate income tax rates and the elimination of the capital tax on financial institutions as announced last fall in response to recommendations made by the Alberta Business Tax Review Committee. The bill also incorporates the amendments contained in Bill 22, which was introduced into the Legislature last year but not passed, and some technical amendments resulting from changes made to the federal Income Tax Act.

Thank you, Mr. Speaker.

[Motion carried; Bill 8 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I move that Bill 8 be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

Bill 205
Municipal Government (Farming Practices Protection)
Amendment Act, 2001

MRS. GORDON: Mr. Speaker, I request leave to introduce a bill being the Municipal Government (Farming Practices Protection) Amendment Act, 2001.

[Motion carried; Bill 205 read a first time]

THE SPEAKER: The hon. Member for Lethbridge-East.

Bill 206
Regional Health Authorities Conflicts of Interest Act

DR. NICOL: Thank you, Mr. Speaker. I request leave to introduce a bill being the Regional Health Authorities Conflicts of Interest Act.

Mr. Speaker, this bill will bring about the same kind of conflict of interest legislation and guidelines as we have for a lot of the other government positions. Thank you.

[Motion carried; Bill 206 read a first time]

head: Tabling Returns and Reports

THE SPEAKER: The hon. Minister of Transportation.

MR. STELMACH: Thank you. It is my pleasure to table with the Assembly today the required number of copies of Alberta Transportation's three-year highway construction and rehabilitation program, including the north/south trade corridor projects, covering the years 2001-02 to 2003-04. Also included are copies of the construction of public roads and bridges for the years 2001-02 to 2003-04.

Further, Mr. Speaker, each MLA will be receiving information relating to the project listing that applies to their individual constituency. With respect to the listing of highway projects, those MLAs whose constituencies are within a city will receive information relating to the entire city. Of course, if any further information is necessary, they can always get in contact with our office.

MS CALAHASEN: Mr. Speaker, today I'm very pleased to table with the Legislative Assembly the annual report of the Metis Settlements Appeal Tribunal for the year 2000. Additional copies of the report are available through my office.

THE SPEAKER: The hon. Minister of Government Services.

MR. COUTTS: Thank you, Mr. Speaker. I'm pleased to table with the Assembly this afternoon five copies of the 1999 vital statistics annual review. The review summarizes all births, marriages, deaths, and stillbirths that occurred in 1999 in Alberta and meets our legislative requirement under the Vital Statistics Act. My office will be providing copies to all members.

Thank you.

THE SPEAKER: The hon. Member for Banff-Cochrane.

1:40

MRS. TARCHUK: Thank you, Mr. Speaker. As chair of the Standing Committee on Legislative Offices I would like to table five

copies of the report of the Chief Electoral Officer on the Edmonton-Highlands by-election, held June 12, 2000, and the Red Deer-North by-election, held September 12, 2000. Copies were distributed to members on January 15, 2001.

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I have three brief tablings, if I might. First, I'd like to table five copies of the Alberta Motion Picture Industries Association, AMPIA, award winners for 2001, which were announced last Saturday evening in Calgary, an event that was attended by a guest in your gallery, our consul general to California, along with our Deputy Premier and Minister of Agriculture, Food and Rural Development and our Member for Airdrie-Rocky View. This list reflects many of the excellent production projects that occurred during the year 2000 and reflects many projects that received financial and other support from our Alberta Foundation for the Arts. Congratulations to all of those winners.

My second tabling, Mr. Speaker, is a letter of congratulations to Dr. Horst Schmid, a former member of this Assembly and a close personal friend of many people here including myself, who received a great honour from AMPIA this last weekend. He was presented with the 2001 friend of the industry award arising out of his many years of dedicated support to this industry, which included helping to create the Alberta film festival, the Banff International Film Festival, and the Alberta Motion Picture Development Corporation.

My final tabling, Mr. Speaker, is a letter to Mr. Leon Lubin, the former executive director of AMPIA, regarding his recent retirement and thanking him for his tireless efforts to "keep it rolling" in Alberta. We all wish him very much success in his endeavours.

Thank you.

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

DR. PANNU: Thank you, Mr. Speaker. I have two tablings today. The first one is a letter from Ms Merla Gibson of the Canadian Federation of University Women, Alberta Council. In this letter she's urging, on behalf of this council, the government to eliminate public library fees.

The second tabling, Mr. Speaker, is five copies of a report just released today by the Canadian Orthopaedic Association and the Arthritis Society of Canada. The title of the report is Canada in Motion, and the main point that the report makes is the long waiting list for orthopedic surgery in the country.

Thank you.

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

MR. MASON: Thank you, Mr. Speaker. I'm tabling today five copies of the agreed statement of facts filed in the Court of Queen's Bench of Alberta between Her Majesty the Queen and Ziad Jaber.

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

MR. MacDONALD: Thank you, Mr. Speaker. I would like to table today a letter that I received recently from the Minister of Government Services regarding the elimination of the propane fuel tax in Alberta.

Thank you.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I would like to table the appropriate number of copies of the home page for the ConCerv.com web site, and this one is specifically entitled An Alternate Vision for Rossdale – Adaptive Re-use of Historic Powerhouses.

Thank you.

head: **Introduction of Guests**

THE SPEAKER: The hon. Minister of Seniors.

MR. WOLOSHYN: Thank you very much, Mr. Speaker. I had the pleasure this afternoon of meeting with four young ladies, university students who belong to the Youth Coalition Against Poverty. They brought a petition to me which will be tabled in the near future. They also offered to help myself and the government address the whole issue of homelessness. I would like the Assembly to extend a warm welcome to Meera Pandompatam, Shreyasi Gollapudi, Aliya Jamal, and Roseanne Yeung. I'd ask them to rise and receive the warm welcome of the Assembly.

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

MR. HERARD: Thank you very much, Mr. Speaker. This is a very special honour for me during Education Week to introduce to you and through you to all members of this Assembly the very first school from my constituency that I've ever had the pleasure of introducing in my history as the MLA for Calgary-Egmont, and it's great. We have with us today 32 very bright grade 6 students from St. William school in Willow Park with their energetic teacher Mrs. Donna Brashko. Helping Mrs. Brashko is another teacher, Mrs. Pat Jarabek, and three accompanying parents: Ms Diane Wirringer, Mrs. Claudette Westerbeek, and Mr. Bruce Foxall. They all got here safely thanks to bus driver Mr. Roy Taylor. I had the pleasure of visiting with this class last Friday, and I can assure you that these students mirror the enthusiasm of their teacher, Mrs. Brashko, who really is opening up a world of opportunity for these bright young minds. I would ask that my guests, seated in the members' gallery, please stand and receive the warmest welcome of the Assembly.

THE SPEAKER: The hon. Minister of Community Development.

MR. ZWOZDESKY: Thank you, Mr. Speaker. It's indeed a pleasure for me to rise and introduce a very special group of 24 bright young minds who are here visiting the Legislature from a wonderful school in my constituency, that being W.P. Wagner school. In their midst is another very special young gentleman, whom I believe you had the pleasure of meeting here not long ago at our Youth Parliament session. His name is Ken. They are all accompanied by a very dedicated and energetic teacher, who consistently helps these people achieve very high marks in all subjects. Her name is Arlene Cairns. I would ask this very special group to please now rise and receive the very warm and friendly welcome of our Assembly.

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

MR. DANYLUK: Thank you, Mr. Speaker. It is indeed my pleasure to introduce to you and through you to the members of the Assembly the K to 12 school from Mallaig, who will be arriving at 2 p.m. Mallaig community school, with 275 students, is a place where students honour and respect each other's differences and beliefs. Mallaig school is a strong community school offering dual-track

education in French and English. The school also recognizes and teaches both Catholicism and Lutheranism. Mallaig is very famous for their school sports, especially for volleyball and their team, the Stingers. Visiting us today is a grade 10 class accompanied by their teacher Todd Tanasichuk.

Thank you, very much.

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

MS KRYCZKA: Thank you, Mr. Speaker. I am very pleased today, in particular it being Education Week, to introduce to you and through you to all members of the Legislature students from the Mountain View school in Calgary-West. They are accompanied by teacher Mrs. Jane Lizotte and the school president, Mr. Doug Wright. Would they please stand and receive a very warm welcome from this Assembly.

MR. KLEIN: Mr. Speaker, I've just been advised that perhaps the youngest person in the members' gallery is with us today. Gordon Olsen, who runs our office in Calgary, has his young daughter with him, Catherine. I would like her – that's right – to be held and receive the warm welcome of the Legislature.

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

MR. BONNER: Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and through you to all members in the Assembly Jim Ragsdale from the Edmonton-Glengarry constituency. Jimmy was a tireless worker during the last election, and I would like him to now rise and receive the traditional warm welcome of the House.

Thank you.

head: **Oral Question Period**

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

Teachers' Salaries

DR. NICOL: Thank you, Mr. Speaker. My questions are to the Premier. Why insert a 6 percent salary budget line in the budget if it is not a solid commitment that you expect the school boards to keep?

MR. KLEIN: Mr. Speaker, as I said, that line item was put in the budget – I indicated this to the media yesterday, and the hon. Leader of the Official Opposition was present at that news conference – I think to remove all expectations on the part of the teachers' union, the ATA, that a 30 percent increase is in the books when in fact it is not.

1:50

DR. NICOL: Mr. Speaker, when the Premier says that they can actually take money out of the increase in the instructional grants to supplement this, how does he expect it to be any kind of a guideline?

MR. KLEIN: Mr. Speaker, we think that a 6 percent raise is enough for those school jurisdictions that haven't completed their negotiations with teachers to make their teachers amongst the highest paid if not the highest paid in Canada. The boards can negotiate higher salaries if they wish, using funds from their general instructional grants. That flexibility is available to the various school boards.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. My next question is to the minister of human resources. Can the minister of human resources, who is responsible for the Labour Relations Code, tell us if the Minister of Learning has conferred with him to determine the possible impact of the salary line item on the collective bargaining process?

THE SPEAKER: Hon. leader, it's inappropriate to raise questions with respect to inner-cabinet consultations. However, if the minister wants to venture forth, he may choose to do so.

MR. DUNFORD: No.

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

DR. NICOL: Thank you, Mr. Speaker. Back to the Premier, please. How can the Premier say that there is flexibility in the system when the government has effectively given local school boards a floor or a guideline for teachers' salaries, which is basically 6 percent?

MR. KLEIN: A guideline is precisely that, Mr. Speaker, a guideline. As I indicated to the hon. member, the school boards do and will have the flexibility to increase wages, if they so wish, using the general instructional grants.

I'll have the hon. Minister of Learning further respond.

DR. OBERG: Thank you very much. Mr. Speaker, as you know, included in this year's budget for the first time was a 6 percent line item that would ensure that our teachers would be the highest paid among provinces in Canada. During the election campaign we heard one very important issue, and that was the classroom issue. We heard about class size. We heard about functioning of classrooms. What Budget 2001 does is allow the school boards the flexibility of close to \$135 million in the first year, followed by \$240 million the second year, to be able to put those towards teachers' salaries, if they so wish, to be able to put them towards the classroom. The question that I always get since that time has been: well, you took away our flexibility. For the last 50 years the school boards have been negotiating teachers' salaries versus classroom issues out of their general grant. In actual fact what we have done is made it easier for them in that we have said that we want the teachers to have at least 4 percent and 2 percent. That's the issue.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. When they say that they're going to make it at least 6 percent, does that not bind the school boards and create expectations on the public's behalf that the school boards are now expected to live up to? Does that not interfere with the collective bargaining process?

MR. KLEIN: No, it doesn't interfere with the collective bargaining process, Mr. Speaker. This is a budget item. I'm sure that the Leader of the Official Opposition would like the assurance that he's going to get a 6 percent raise. If he were back being a university professor and the board of governors said that he will be guaranteed at least 6 percent, I don't think he'd be whining.

DR. NICOL: Mr. Speaker, I left the university when they told me how I could get my budget set.

Will the Premier confirm that the strategy of inserting 6 percent in the budget was a mistake now that he's indicated that it's only an opening offer?

MR. KLEIN: No, Mr. Speaker, it's not a mistake. It's a clear signal that school boards have at least 6 percent to give their teachers plus the flexibility to provide more, if absolutely necessary, from the basic instructional grants. I think it's a good deal. It's a good deal from a budget point of view, and it's a good deal for the ATA, because they know that they have that in their pocket. What do they say? A bird in the hand is better than two in the bush?

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

DR. MASSEY: Thank you, Mr. Speaker. Last week the Minister of Learning indicated that the budget included a final position of 6 percent for teachers' salary increases over two years. In the past number of days a number of figures have been attributed to the Premier. Yesterday, and I quote: a low position of something in the neighbourhood of 6 percent. My questions are to the Minister of Learning. Was the 6 percent the opening offer or the final offer for teachers?

DR. OBERG: Mr. Speaker, for roughly the fourth time in this Assembly I will stand up and answer the same question. As I made it abundantly clear the day of the budget, as I made it abundantly clear one day, two days, and three days after the budget, the teachers are guaranteed a 4 percent raise this September 1 and a 2 percent raise next September 1. But there is nothing stopping the teachers and the school boards from sitting down and negotiating what is the most important factor in their school. If the teachers and the school boards feel the most important factor is class size, then the money will go to class size. If it's teachers' salaries, then it will go to them.

Mr. Speaker, what we have done here is put the flexibility in the hands of the school boards and the teachers, the people who know what's going on in the schools by far the best, and the decision is up to them as to how they spend that \$135 million. We have guaranteed by using 4 and 2 percent that our teachers will be the highest paid in the land, and I think that's great, but if the school boards want to make them higher, they can. They have a flexibility in this budget actually to increase by an extra 10 percent, up to close to 16 percent, if they so wish. It is up to the school boards and it is up to the teachers to determine what the most important need is in their particular school district.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. To the same minister: will negotiations be reopened with those teacher groups who have already settled for less than 6 percent?

DR. OBERG: Mr. Speaker, there are roughly seven boards who have already signed for the upcoming year, and these boards will have the ability as of September 2001 — again, in the contracts what has to occur is that both the teachers and the school boards have to agree to open the contract. They have the ability to take the 4 percent at that time if they so wish. If they don't wish, the school board can keep it. That 4 percent has to be for teachers' salaries because we on this side feel teachers are important.

THE SPEAKER: The hon. member.

DR. MASSEY: Thank you, Mr. Speaker. My question is to the Premier. Given that the Premier has indicated that there is no money hidden in the school board operations budget, just where is the money for settlements above 6 percent to come from?

MR. KLEIN: Mr. Speaker, I already indicated that there is a line item relative to salaries. There's also a line item relative to instructional grants. As the hon. minister pointed out, the school boards have the flexibility to use that instructional grant to assess and meet their own priorities.

DR. OBERG: If I may on this issue, Mr. Speaker. Included in the budget this year is \$115 million, that they have the ability to use. Included next year is another 3 percent, which is close to \$100 million or a little over \$100 million. So in the two years they have \$215 million that they can use for exactly what the hon. member has just asked.

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

Orthopedic Surgery Waiting Lists

DR. PANNU: Thank you, Mr. Speaker. Today the Canadian Orthopaedic Association and the Canadian Arthritis Society have released two studies, both indicating that the national indirect economic impact of excessive waiting lists is close to \$18 billion per year due to lost productivity. In a survey of September 2000 the Capital Region Medical Staff Association showed that Edmonton patients were forced to wait up to nine months for orthopedic surgery. My questions are to the Minister of Health and Wellness. What is the estimated economic cost of long waiting lists to the economy of Alberta?

MR. MAR: Mr. Speaker, I can say with some confidence that those individuals who actually use the health care system indicate a very high level of satisfaction with the service that they receive. Having said that, there are some legitimate issues as they relate to waiting lists for a number of different areas, and I can say with confidence also that we are addressing them. We have made a number of announcements over the last year that have dealt with waiting lists in a number of critical areas, and we've made announcements and made good on our promises to invest in the areas of people, plant, and equipment. As a consequence and including some moneys targeted specifically at waiting lists, there are improvements being demonstrated.

2:00

I cannot answer the hon. member's question as it relates to an economic cost that I'm aware of – that kind of analysis has not been done – but I can say with confidence that our waiting lists are going down, Mr. Speaker. The number of physicians has gone up, the number of nurses has gone up, and the number of people waiting in lines and the times that they are waiting have gone down.

DR. PANNU: My supplementary to the minister: are waiting lists for orthopedic surgeries in Calgary and the rest of the province as bad as they currently are in the city of Edmonton?

MR. MAR: Well, Mr. Speaker, the issue of orthopedics in particular is a very interesting one. One of the areas that we have invested in is a centre of excellence in bone and joint in the city of Calgary. When it comes to strictly competing on the basis of remuneration for physicians and health care professionals, it will be very difficult for the province of Alberta to compete with many other jurisdictions

that are able to provide more financial remunerations to such professionals. However, by providing investment and environments in research and gathering critical mass, we are being very successful in recruiting people. Again, it's not just people. It's a balance of people, plant, and equipment that we've invested in. We think the centre of excellence in bone and joint in Calgary is an excellent initiative and is already paying dividends for us.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My final supplementary to the minister: is the private, for-profit provision of orthopedic services still one of the major options that the government is considering using to reduce the waiting lists?

MR. MAR: Mr. Speaker, that I am aware of, nobody has put that proposal before us to have, for example, hip replacements done in a private surgical facility. I can say that for those services that have been approved under private surgical facilities, the total value of contracts, some 34 contracts, amounts to just under \$10 million out of an overall global budget of roughly \$6 billion. So it is a relatively small part of our health care system. I'm not suggesting it is unimportant, however. Should the College of Physicians and Surgeons determine that it is medically safe – medically safe – to provide any kind of service under a private surgical facility, then certainly we'll give it consideration.

Teachers' Salaries

(continued)

MRS. JABLONSKI: Mr. Speaker, since the release of the budget there has been a lot of discussion in my constituency and elsewhere about teachers' salaries. It's been suggested that teachers are not keeping pace with inflation. Can the Minister of Learning tell me how the salary of a teacher who started teaching in my constituency of Red Deer-North in '92-93 would compare to a teacher starting today?

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. If I may, I will use figures from Red Deer public as opposed to Red Deer Catholic. A teacher who started off in 1992-93 in their first year of teaching would have received \$30,864. Today that same teacher would be earning \$54,330. With a potential 6 percent increase in the budget, that we've talked about several times here, they would earn \$57,633 by 2002-2003. That's an 86 percent increase.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. I would again ask the Minister of Learning. Based on this salary grid, how would a teacher at the maximum end of the scale compare from '92-93 levels to current levels of pay today?

THE SPEAKER: The hon. minister.

DR. OBERG: Thank you very much, Mr. Speaker. It does vary with jurisdictions, but in general the teachers with 11 years' experience in 1992-93 versus 11 years' experience today would have received a net increase of about 12 and a half percent. What that means is that they have received increases of 17 percent, and as you know, they did receive a decrease of 5 percent in the '94-95 budget year.

So in general a teacher with four years' experience would have been making about \$52,000 in '92-93 and would be making roughly a little over \$59,000 today.

MRS. JABLONSKI: Mr. Speaker, with these different rates of salary increase, can the Minister of Learning explain how this grid system works and how it benefits all Alberta teachers?

DR. OBERG: I'll keep it very short, Mr. Speaker. Very quickly, what happens is that for the first 11 years of a teacher's career the teacher receives an automatic increase on the grid, so over those 11 years, regardless of any increases, the teacher would be increased. What you have is a second component, which adds to the compounded effect of the increase which led to the 86 percent increase, and that increase is due to the actual amount per year. So that's what brings it up to the 86 percent increase that I talked about earlier.

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

School Closures

MR. MacDONALD: Thank you, Mr. Speaker. As Education Week continues, so, unfortunately, do the school closures across the province. Yesterday the Premier said that he had no idea how many school closures we will see, if any. One estimate has put that as high as 20 percent of all public schools in the province. My first question is to the Premier. Will the Premier acknowledge that school closures are caused by his government's school utilization formula?

MR. KLEIN: Mr. Speaker, school closures are caused by people or the lack of people. You know, if there are no students, there is no need for schools. I mean, that makes perfect, logical sense. Would this hon. member keep a school open to accommodate no students? Yes. Well, he's a Liberal, and he would.

Mr. Speaker, as I explained yesterday, the dynamics and the demographics of municipal districts and counties and municipalities are constantly changing, and to accommodate those changes, school boards have to make decisions. Where schools are being closed, new schools are being built in other areas where they are needed. It's happened in the past, it's happening now, and it will happen as long as we live and for many, many, many years thereafter.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier: will the Premier acknowledge that the families hurt by school closures are those in inner-city neighbourhoods and those in rural communities?

MR. KLEIN: Mr. Speaker, school boards are not there to hurt people. They're there to administer good education and good education opportunities for our young people. They put themselves up for election, and they undertake a commitment to provide quality education, as this government makes a commitment to provide the funding for quality education to the best of our ability. The simple fact is that changing dynamics, changing demographics cause some schools to be closed and other schools to be opened. It's as simple as that.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier:

will the Premier commit to celebrating Education Week by scrapping his flawed utilization formula?

Thank you.

MR. KLEIN: The utilization formula is not flawed, Mr. Speaker. It comes down to very simple mathematics and economics that perhaps even the hon. Member for Edmonton-Gold Bar can understand. If there are no students, then there's not a need for a school. If there are many students, then there's a need for a school.

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

2:10

Agriculture Safety Net Programs

MR. MARZ: Thank you, Mr. Speaker. Last year this government recognized and responded to the economic crisis in the oil and grain sector of the agriculture industry by providing two payments of \$4.29 and \$6 for a total of \$10.29 per acre. Just last Friday the hon. Minister of Agriculture, Food and Rural Development announced a further payment for the year 2000 of \$10.29 an acre, even though commodity prices have not significantly increased and the input costs have risen significantly, especially with nitrogen fertilizer going up by \$20 to \$30 an acre because of natural gas prices. So it's argued that natural gas prices have actually increased the provincial coffers while increasing farm input costs. Could the Minister of Agriculture, Food and Rural Development assure the farmers of this province that if the commodity markets do not improve over the summer months, this government will continue to listen to their concerns and provide a further acreage payment this fall?

MRS. McCLELLAN: Mr. Speaker, the one thing I can assure the hon. member and all hon. members is that this government will continue to listen very carefully to agricultural producers' concerns.

Will we provide a further acreage payment? I think that would be purely hypothetical, although we do know that markets have not improved significantly, that commodity prices are rising slightly but not nearly as the rise of input costs. What I believe would be more responsive to the producers of this province is to continue the work on the review of the safety net program so that producers can operate from year to year with an assurance that they can manage some of the risks that are associated with producing a crop.

THE SPEAKER: The hon. member.

MR. MARZ: Thank you, Mr. Speaker. Again to the same minister: could the minister outline for this House how much of the recent payment that was announced on Friday comes from the Provincial Treasurer and how much comes from the federal government?

MRS. McCLELLAN: The federal government provided \$500 million for all of Canada for oil and grain producers. Alberta's share of that was \$126.8 million. I think that the agreement committed us to cost sharing that at 60 percent federal and 40 percent provincial, which would have meant that we would have contributed about \$85 million. I think the hon. member will know, as producers do, that we contributed significantly higher than that, and from the calls I've had in my office, Mr. Speaker, the agricultural community is quite appreciative of that.

THE SPEAKER: The hon. member.

MR. MARZ: Thank you, Mr. Speaker. Well, based on what the

minister tells me, could she tell me why we are providing less per acre this year than we did last year, even though the input costs are higher this year?

MRS. McCLELLAN: Actually, Mr. Speaker, the farmer is receiving exactly the same amount this year as they did last year. We would have liked to have been able to provide more. However, as we go through the budget debate department by department, we'll understand that we were trying to meet all of Albertans' priorities.

We've made some commitments to producers in other areas. We have a number of programs in place, so our commitment is much higher than the \$10.29 an acre, and we'll continue with that commitment. It's maybe not enough, but it's what we could do. I think that if you look at the summer rebate program for irrigation farmers, if you look at the 30 percent reduction in crop insurance premiums, and if you look at the continued support they'll get through Bill 1, the producers in this province will recognize that this government supports what they're doing, appreciates what they're doing, and will continue to listen to them and work with them.

THE SPEAKER: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Lacombe-Stettler.

Health Information Act

DR. TAFT: Thank you, Mr. Speaker. Although the Health Information Act was proclaimed last week, the minister of health has announced a six-month implementation grace period. My questions are to the minister. What steps will the minister be taking to prevent people from disregarding the act during this grace period?

MR. MAR: Mr. Speaker, I think that this is a good question. I think the best answer rests with the fact that we worked greatly with stakeholder groups who will be working with the Health Information Act, and we'll continue to work with them. We provided such stakeholders with information sessions, indicated to them how the act is intended to work and how it is not intended to work. I should give a good deal of credit to the Information Commissioner, who has done a great deal of service in this particular regard.

Mr. Speaker, we know that there are some concerns as they relate to how the act should work and shouldn't work, which is why Mr. Clark, the Information Commissioner, indicated that he would have this six-month grace period to allow for transition before we got into a situation like the hon. member has identified. Also, we've made the commitment that if there are difficulties with particular parts of the regulations, we can take that six-month period and make amendments to them as may seem fit.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. The act exempts medical records generated by private health care providers. Will the minister explain this exemption?

MR. MAR: Well, Mr. Speaker, what the hon. member has said is correct. Our first priority has to be with the publicly administered system. It has been raised as an issue that perhaps private providers should fall within the scope of this act. That issue is being considered; however, the final decision on whether that will in fact be implemented has not yet been made.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Under section 38 of the act the Premier's personal medical records could be filed in the provincial archives without the Premier's consent if a future minister of health feels they have enduring historic value. Has the minister explained this to the Premier?

MR. MAR: No, Mr. Speaker.

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

Library Funding

MRS. GORDON: Thank you, Mr. Speaker. Libraries: the past, the present, the future; exciting new technologies, new innovative ways of delivering service. Postbudget, post library conference held last weekend in Jasper, my questions are to the Minister of Community Development. Mr. Minister, will the \$700,000 identified for libraries within your budget be used to increase the per capita funding, cut in 1994, or will it be used to bring the 1997 census figures now used to current 2000-2001 population numbers?

THE SPEAKER: The hon. minister.

MR. ZWOZDESKY: Thank you, Mr. Speaker. In fact, the \$700,000 increase in this year's budget, which takes Alberta library funding from about \$14.2 million up to \$14.9 million, is quite specifically to reflect the population growth that we've experienced in various parts of this province. It is not part of the per capita increase that we heard so much about in the Jasper convention this weekend. That issue was raised on a number of occasions, and I did promise them that I would have a look at that and see what the impact is or isn't as we look at this very important aspect of the Alberta intellectual advantage.

MRS. GORDON: Again to the same minister. As new technologies evolve, are there any plans within your department – and I stress within your department – to further assist the Alberta Library, TAL, to expand the patron-popular, patron-satisfied Alberta Library card, that allows many Albertans walk-in access to borrowed books through any one of over 300 participating libraries in Alberta? A wonderful card, a wonderful system.

MR. ZWOZDESKY: Yes, Mr. Speaker, the project is a wonderful project, and I'm very supportive of it. TAL, as we may know, is the Alberta Library. It's a consortium that reflects the concerns of about 245 libraries in this province. One of their important projects is this universal access card for library services for those individuals or those libraries who are part of that particular membership system. While we do provide \$50,000 a year annually to this consortium, there are no plans at this stage to expand that money to further the Alberta Library card project, not at this time.

I would say that we did increase the Alberta public library electronic network funding by another \$1.75 million, which is a partnership project between us and the TAL group. Also, Mr. Speaker, on the weekend I presented a cheque for \$25,000 to a project that involves the CNIB and the TAL group, and that's called VisuNet, to help users who find it impossible in fact to use conventional print materials. So there are two very good projects there that they've benefited from.

2:20

MRS. GORDON: Mr. Minister, what role postbudget do you see libraries playing at the community level in year 2001 and beyond,

whether that library be in downtown Edmonton or in Mirror, Alberta, population 487?

THE SPEAKER: Well, that sure leads us to an opinion statement and request.

So let's move on to the hon. Member for Edmonton-Centre, followed by the hon. Member for Edmonton-Highlands.

Drug Treatment Courts

MS BLAKEMAN: Thank you, Mr. Speaker. My questions are for the Minister of Justice. Would the minister please inform this House about the status of his discussions with the federal Justice department concerning the establishment of drug treatment courts in Alberta?

MR. HANCOCK: I haven't had those discussions yet, Mr. Speaker, but I'm looking forward to them.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you. Has the minister done any research at all in his department as to the estimated cost to the province of establishing and operating such a court?

MR. HANCOCK: Well, Mr. Speaker, we have a number of priorities in the department with respect to dealing with issues of significance, and certainly dealing with drugs is an issue of significance, but at the present time I don't believe we have any studies going on with respect to establishing a drug court. There was an announcement or a discussion from the federal minister some months ago about a keenness to get on with that type of a project, and I believe that we have at the senior officials level some discussions happening.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you. As part of those discussions that are happening, then, can the minister enlighten the House as to whether the department is considering drug treatment courts in both Edmonton and Calgary or just one of those cities?

MR. HANCOCK: Well, no, Mr. Speaker, because as I've indicated, the discussions are at a preliminary level among senior officials. I've indicated that I have an interest in proceeding in that direction if we can do it within the context of our budgetary allotment. We've got a number of priorities on the table. I certainly think drugs are a priority, and if we can proceed in that direction, I'm very interested in doing so.

So I've indicated to our senior officials an interest in the area. As soon as we heard that the federal minister was interested in drug courts, I asked them to engage in the discussion, and when it gets to a level where we have some information as to what the federal government is prepared to do in the area, how much in the way of resources they're prepared to put into it, and how we can fit into their proposal, it'll come to my table for a policy decision.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

Automatic Bank Debit Authorization

MR. MASON: Thank you, Mr. Speaker. Hundreds of thousands of Albertans now pay their bills, mortgages, car payments, and make charitable and political contributions through automatic debits on

their bank accounts. One of the most disturbing aspects of the *National Post* negative option billing case I asked about last week is the fact that they were given access to an automatic debit arrangement set up with a different supplier, being the *Edmonton Journal*. My question is to the Minister of Government Services. What protection, if any, exists to prevent a supplier from tapping into a consumer's automatic debit account to charge them for a service that they neither ordered nor agreed to pay for?

THE SPEAKER: The hon. minister.

MR. COUTTS: Thank you, Mr. Speaker. The issue that the hon. member brought up last week: I just want to let this House know that the matter is still under review. Evidence to this date appears to indicate that this particular campaign began about two or three months ago, and it's not really known whether or not anyone's account has actually been debited at this point in time. However, we're continuing to investigate. The newspapers that are involved have stated that they are prepared to provide a refund to anyone who has been billed, and that is still under review as well. The national newspaper that is involved has in the meantime suspended the entire campaign.

MR. MASON: Mr. Speaker, I appreciate that, but it was not the question.

Will the minister commit to action to ensure that third parties cannot direct financial institutions to alter debit billings without the expressed permission of the account holder?

MR. COUTTS: Mr. Speaker, under the financial act that we have in place today, we are not required to protect privacy, as banks and other federally regulated financial institutions are regulated by the Personal Information Protection and Electronic Documents Act, which came into effect January 1, 2001.

THE SPEAKER: The hon. member.

MR. MASON: Thank you, Mr. Speaker. The question really is: can we prevent financial institutions from altering debit arrangements at the request of a third party without the permission of the account holder?

MR. COUTTS: Mr. Speaker, section 22 of our own FTA states that a customer is not liable to pay for goods or services and would have a claim against any supplier or any financial institution if funds were withdrawn without authorization.

Thank you.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member for Edmonton-Glengarry.

Protection against Family Violence Act

MR. HORNER: Thank you, Mr. Speaker. Protection against family violence is an important issue to all of us here in this Legislature. It's an issue on which we all would like to see positive steps taken. There are many victims in these cases, and protection is extremely important. Removing the antagonist is certainly a major step in the protection of these victims. It's also critical to maintain some form of stable home life. My question is to the hon. Minister of Children's Services. The new Protection against Family Violence Act has been said to be a success story to improve the lives of abused persons in Alberta. Can the minister tell us how many victims have been able to stay in their homes because of this act?

THE SPEAKER: The hon. minister.

MS EVANS: Thank you, Mr. Speaker. It is a pleasure, indeed, to profile the new act and what it has resulted in. From June '99 when it was evaluated, from that period forward to February of this year we've had 224 victims that have been able to stay in their homes. It is not only a success because the abuser is prevented from contacting the victim either in the home, the workplace, or in the school but because in co-operation with the Minister of Justice and the authorities in Justice we've been able to get the abuser in to receive help more quickly. They are up in a courtroom setting. Agencies are there to start the healing process with all members of the family, focusing on the abuser but also being conscious of the needs of the victim and the victim's family as well.

THE SPEAKER: The hon. member.

MR. HORNER: Thank you, Mr. Speaker. My first supplementary, then, is to the same minister. Can the minister clarify to us how the Protection against Family Violence Act has helped reduce family violence in Alberta?

MS EVANS: Mr. Speaker, over the past few months, while we have had this opportunity to review the legislation, we have had a third-party consulting firm, Howard Research, conduct an evaluation of the success of the legislation. One of the most dominant characteristics is the increased awareness not only by those people that are involved, such as the police, social workers and so on, but the increased awareness of the kinds of support we can give to victims of violence.

Mr. Speaker, this report I will table today in the appropriate number of copies so that other members who may not have been privileged to hear of the release of it last year will have an opportunity to review the context in which we find ourselves today; that is, more people receiving help at an earlier stage. Families that have been previously subjected to violence are aware of another opportunity to create protection within the family as well. We have reduced the incidence of family violence behaviour. I urge people to read this report.

THE SPEAKER: The hon. member.

MR. HORNER: Thank you, Mr. Speaker. Can the Minister of Children's Services tell us whether funding has increased this year for shelters in Alberta?

MS EVANS: Mr. Speaker, it has increased from \$11 million to \$13.6 million. This is significant not only because of the help that we are being able to give people, not only in the 19 shelters inclusive of which are two second-stage housing opportunities, but because we are also going to assist the shelters throughout Alberta to track their statistics, to know where those people that are not in fact admitted to shelters are provided accommodation. Last year we provided alternate accommodation for some 8,600 people. We have to look at opportunities that allow us to be more knowledgeable and serve better the needs of the family that is a victim of violence.

THE SPEAKER: The hon. Member for Edmonton-Glengarry, followed by the hon. Member for Whitecourt-St. Anne.

School Transportation

MR. BONNER: Thank you very much, Mr. Speaker. The Children's

Forum report of 1999 recommended that legislation be implemented to reduce the time that students spend on buses. My first question is to the Minister of Learning. Given that busing students is an issue across this province, will the minister support legislation to reduce busing time for children?

2:30

DR. OBERG: Mr. Speaker, what we have now is varying degrees of busing around the province. Obviously this is a large province. In some rural areas in my own constituency I have people that are probably 40 to 45 minutes from their closest school. That's purely an element of distance. In the urban surroundings what we do is for anything over 2.4 kilometres we pay for the busing. I don't feel that putting in legislation limiting the time in busing would be advantageous at all in this province, because we have so many people that are so spread out and, quite frankly, are a long ways from existing schools. We are not going to be building schools for one student.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the same minister: why is this government reluctant to reduce busing time for students when we know that these hours could be better spent on learning rather than riding?

DR. OBERG: Mr. Speaker, the hon. member has an excellent point. Obviously, if these kids were in school for the extra hour, it would be much better for the student. But there are some physical realities in Alberta, and those physical realities are that the people are a long way from schools and we have to get them there. We are not going to go back to the 4 by 4 system, that was instituted in this province in the 1900s, where they said that there would be a school every four miles because that's how far a person could walk. We're not going to go back to that system. He has a good point about expanding learning opportunities. I would love to be able to do that, but the distances are there in this province.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. My second supplementary question is to the Minister of Transportation. Does this minister support legislation to reduce the time students spend on buses and thereby increase the safety of our roads for all Albertans?

THE SPEAKER: We're on the subject of safety here, not the minister's personal opinion.

MR. STELMACH: Mr. Speaker, I would say that this province of Alberta enjoys some of the best roads in Canada, some of the best maintained roads and best side roads. I think that leads greatly to the safety of our most treasured possessions, and that's our children.

THE SPEAKER: The hon. Member for Whitecourt-St. Anne, followed by the hon. Member for Edmonton-Castle Downs.

Hotel Tax

MR. VANDERBURG: Mr. Speaker, my question is to the Minister of Economic Development. Presently the Alberta government collects about \$45 million in hotel taxes. It's a lot of dollars. My hotel/motel association in Whitecourt-St. Anne and their operators would like to see this tax eliminated. How was this addressed in this budget?

THE SPEAKER: The hon. minister.

MR. NORRIS: You'd like me to stand up or speed it up?

THE SPEAKER: No. You can go with that, but we're going to have your estimates before us here, too, before too long.

MR. NORRIS: Thank you very much, Mr. Speaker. The rationale for not addressing the tax in the recent budget was that the tax was indeed reviewed in the fall of 2000 by the Alberta Business Tax Review Committee. At that point the tax committee found that this hotel tax does not constitute an unfair tax.

My understanding of this issue that the hon. Member for Whitecourt-Ste. Anne raises is that the money that's being raised in the form of a tax should be more directed towards tourism spending. This government doesn't as a rule tie tax revenues to specific programs. However, we are listening and in the last redefinition of our budget found \$2 million more to put towards tourism spending. That brings the total tourism spending to \$18 million. I will tell you, Mr. Speaker, that my department and I are very anxious to continue finding ways to promote the beautiful province that God's given us through tourism.

Thank you.

MR. VANDERBURG: Mr. Speaker, leading to my last question: if the government is looking to review this, when will this review actually happen, and when will it be complete?

MR. NORRIS: Well, Mr. Speaker, part of the Alberta advantage of course is the fact that this government listens very closely to businesses and their input on taxes and how we deal with those taxes raised and spent. As such – and hon. members all know this – we have the lowest tax burden in Canada on businesses, and that's why they keep setting up here.

With regard to reducing business taxes, this government is committed to reducing business taxes over \$1 billion in the next four years, Mr. Speaker. It continues to be the best and the envy of Canada. With regards to this specific tax, my department and I are continually reviewing it and finding ways to make it more effective for the hotel industry and the people involved. I would very much like to work closely with the hon. member and others involved in the tourist industry to find the best way to deal with this tax and how to spend it, but I should let you know it's always in the scope for change, and we will look at it in due course in the next year.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Castle Downs, followed by the hon. Member for Vermilion-Lloydminster.

Lottery Fund

MR. LUKASZUK: Mr. Speaker, this year gaming revenue is forecast to be approximately \$1 billion. As I understand it, gaming revenue is no longer allocated to the general revenue fund but, rather, is diverted to the Alberta lottery fund. Members of my constituency have asked me on numerous occasions how these funds are distributed to Alberta communities. My first question is to the Minister of Gaming. Can the minister outline the types of projects and initiatives that are funded by the Alberta lottery fund?

THE SPEAKER: Hon. minister, we could go on with this one for about an hour and a half. I would just like to point out that May 7 is day 5 and the hon. minister's estimates will be before the House. Please proceed.

MR. STEVENS: Indeed, Mr. Speaker, and I think I only need about three minutes in total.

The hon. Member for Edmonton-Castle Downs is quite correct that the revenue from this source is approximately \$1 billion this year and that it in fact is not part of general revenue. As a result of recommendations coming out of the 1998 gaming summit, those funds go into the Alberta lottery fund, which does incredibly good work throughout this province.

There are essentially two ways in which the funds are distributed. One is through various foundations and programs; the other is through special projects and initiatives. Foundations and programs deal with such things as helping communities build hockey rinks and playgrounds and community facilities, and the special projects and initiatives do such things as infrastructure projects and construction of health and learning facilities. I think, for the hon. member and all Albertans, indeed, who would be interested in more detail on this, they should look at the Internet at www.gaming.gov.ab.ca.

THE SPEAKER: The hon. member.

MR. LUKASZUK: Thank you, Mr. Speaker. As the hon. minister was so eloquent in his answer, I'll proceed to my final question. Can the minister please advise me and my constituents how these funds are allocated through the various boards?

THE SPEAKER: The hon. minister.

MR. STEVENS: Thank you, Mr. Speaker. Essentially, the funds are in large measure allocated through grant programs and foundations. I've indicated that there are a number of those within the Ministry of Gaming. There are two specific ones: the community facility enhancement program and some 88 community lottery boards. In Community Development there are a number of foundations: the Alberta Foundation for the Arts; the Alberta Historical Resources Foundation; the Alberta Sport, Recreation, Parks and Wildlife Foundation; the Wild Rose Foundation. All of these programs do incredibly good work within our communities. I can tell the hon. member that in this upcoming year some \$128 million will be allocated to those foundations. Those foundations each have a mandate, and they're responsible for fulfilling the mandate and getting those funds out into the community.

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

Regional Health Authority Boundaries

MR. SNELGROVE: Thank you, Mr. Speaker. My question is for the Minister of Health and Wellness. Boundary changes to the health regions will result in the operations of the Mannville health care complex transferring to a different region. My question is: what assurances can the minister give the residents of Mannville and district that the level and delivery of service will not be compromised?

MR. MAR: Well, Mr. Speaker, I want to assure the member and members of this Assembly and Albertans that the boundary changes that are being contemplated are minor. They will not affect where Albertans go for health services, nor will it affect the level of service that they receive. Of the 17 regional health authority regions, there will be small boundary changes to 10 areas. These changes will allow us to better align the regional health authority boundaries with those of municipal districts.

Now the specific area that the hon. member is referring to is part

of Minburn county. Minburn county was located in both the East Central and the Lakeland regional health authority regions, and under the new boundary all of Minburn, including Mannville, will be part of the Lakeland health region, Mr. Speaker.

2:40

THE SPEAKER: The hon. member.

MR. SNELGROVE: Thank you, Mr. Speaker. My only supplemental question is also to the same minister. Would the minister confirm that the delivery of home care and ambulance services will remain comparable?

MR. MAR: Mr. Speaker, I can confirm that home care and ambulance services to clients will not be changed as a result of the these minor boundary changes. The Department of Health and Wellness and the regional health authorities of East Central and Lakeland are working together to ensure that there is a smooth transition of the services, the finances, and the capital resources between the two regions.

THE SPEAKER: Hon. members, very shortly we'll call on the first of a number of members today to participate in Members' Statements.

May I say to all of you: congratulations; well done. My target today was to get all the members into the question period. We had 16 members participate. We had a total of 45 questions and answers in a time frame of 51 minutes, which is really very, very good. Thank you very much for your co-operation.

In 30 seconds from now we will go to Members' Statements, but in the interim can we revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(*reversion*)

THE SPEAKER: The hon. Deputy Premier.

MRS. McCLELLAN: Mr. Speaker, thank you for the indulgence of the Assembly to allow me to introduce a young woman from my constituency, who I believe is here today on some business but also thought that she should come and check to see if the person she worked hard to elect was actually in the Assembly doing her job. I'd like to introduce Wendy Gladdish of Hanna, and I'd ask Wendy to stand and receive the warm welcome of the Assembly.

head: **Members' Statements**

THE SPEAKER: Hon. members, in a few seconds from now I'll call on the hon. Member for St. Albert to participate.

Education

MRS. O'NEILL: Thank you, Mr. Speaker. Today I rise to lend my voice to the celebratory chorus honouring the remarkable learning and teaching that is taking place across this province during Education Week and, indeed, every week in Alberta. I am proud to say, as I did many times during the education forums during the election, that education is both my profession and my passion. Education provides the environment in which we shape and nurture our societal values, study our past and explore our future potential, and learn to think, evaluate, and open our minds to the worlds of literature and creative writing, the visual and performing arts, and the joys of science, research, and mathematics.

I am proud to say that in the year 2001 in the province of Alberta education is alive and well. Indeed, it is solid and sound. Our schools present a world of opportunity for learning, provided by caring, competent, professional teachers to students of varying needs and capabilities in the intended environment of safe and caring schools.

This week I would like especially to acknowledge the provision of free education in two equally publicly funded school systems in this province. I am proud to be a member of the Alberta Legislature, in a government that identifies education as a priority. In partnership with our school boards I'm also proud to participate co-operatively in creating educational policies and opportunities for the students of our province.

Education is always worth celebrating, Mr. Speaker.

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

Columbia's Inclusion in the Summit of the Americas

MR. MacDONALD: Thank you, Mr. Speaker. I rise today, May 1, to speak out against the warm reception that was shown to the President of Columbia at the recent Summit of the Americas in Quebec City. The Quebec Declaration, which was signed by all the heads of government of the 34 nations in attendance at the summit, celebrated the so-called democracy clause in which the leaders pledged not to do business with countries that fall away from the ideals of genuine democracy.

I believe democracy is the system that allows for the peaceful exchange of differing views. However, over 1,200 union leaders and union workers have been assassinated in Columbia over the past 10 years by right-wing paramilitary groups operating in the country. The issue is not one of determining which group, the paramilitary groups or the union members, has correct political ideology. Rather, the issue is one of fundamental importance to Canada and Canadians, the issue of human rights.

If the government of Columbia has only halfheartedly tried to protect union executives from harm, why then did Canada show such a warm reception to President Arango at the Summit of the Americas? On the assumption that the countries that comprise the Americas are truly dedicated to the democracy clause, it is clear that Columbia should be excluded until such time as it shows true respect for democracy by halting the violence perpetrated by the paramilitary groups against union executives and union members.

Now is the time for Canada to review its relationship with Columbia as well as any other country that shows a flagrant disregard for democracy and human rights.

Thank you.

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

Immigrants of Distinction Awards

MR. CAO: Thank you, Mr. Speaker. Today I would like to update my hon. colleagues about an annual event that I attended last Friday evening. It's the gala night of the Immigrants of Distinction Awards 2001, organized by the Calgary Immigrant Aid Society and volunteers. The immigrants of distinction awards honour newcomers to Canada who have made outstanding contributions and achievements to Alberta and to Canada. There are a number of categories.

The organization diversity awards are given to the organizations that made outstanding achievements in implementing their human resource diversity initiatives. The individual awards are given to newcomer individuals who have made exceptional contributions to Alberta society in the areas of arts and culture, business, community

service, and professions. The youth scholarships are given to newcomer youths who have achieved excellence in academics, arts, sports, and the community.

Just to mention a few here. Dominika Boczula came from Poland, currently an outstanding high school student with academic honours, track and field records, and piano competition first prizes.

Shirley Ho came from Hong Kong, currently an excellent high school student overcoming an English language barrier to become the chairperson of the Calgary Stampede youth speech and debate tournament.

Jung-Mee Hwang came from Korea, currently a high school student with top honours in mathematics, the lead clarinet player in the youth orchestra, an award winner in badminton, skating, and martial arts.

Danijel Margetic came from Croatia, arrived in Canada in his late teens, overcame an English language barrier in high school and graduated in drama and psychology at the University of Calgary on the dean's list and planning for a career in movie production.

Sheila Ung came from wartorn Cambodia, currently a biochemistry researcher on the dean's list and with the goal to become a pediatric doctor. She was instrumental in the Minds in Motion, a summer science camp for children locally and nationally.

I thank the organizers for the opportunity of recognizing these outstanding immigrants.

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills.

Shawna Wallace

MR. MARZ: Thank you, Mr. Speaker. I rise today to bring attention to an announcement that was made on Monday naming Shawna Wallace, an 18-year-old high school student from Hanna and member of the Byemoor Beef 4-H club, as the 2001 winner of the Premier's award. This is the highest honour for the Alberta 4-H program, and Shawna is the 38th Premier's award recipient. She was selected out of 131 candidates during the annual 4-H selections program in Olds on April 27 to 30, 2001, where delegates took part in activities designed to improve leadership and life skills.

In addition to receiving the Premier's award, as well as meeting the Premier, Shawna Wallace becomes a 4-H ambassador. Shawna's role will be to promote the 4-H along with 13 other 4-H ambassadors who were chosen at selections for their leadership, communication, and personal development skills for which Alberta's 4-H program is recognized.

2:50

I had the pleasure of meeting Shawna Wallace and the other ambassadors and all the other outstanding young 4-H leaders at the 4-H selections program in Olds over the weekend, and I have to say that I was very impressed with their enthusiasm and their commitment not only to the Alberta 4-H program but also to the agricultural and rural communities of this province. They will be tomorrow's agricultural and agrifood industry leaders, and I'm pleased that this government supports 4-H in this province.

Thank you.

head: **Orders of the Day**

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

Bill 204 Medicare Protection Act

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

MR. MASON: Thank you very much, Mr. Speaker. I'm pleased to move second reading of Bill 204, the Medicare Protection Act.

This bill represents a real health care protection legislation in sharp contrast to the government's Bill 11, which first and foremost is a blueprint for further privatization of our publicly funded and publicly administered health care system.

About a year ago I made a decision to leave civic politics and enter provincial politics. The number one reason I made this decision was because of my deep concern about the Conservative government's plan to further privatize Alberta's health care system.

When I was running during the Edmonton-Highlands by-election last June, I promised my constituents that at the first available opportunity I would introduce a bill in this Assembly to repeal Bill 11 and replace it with legislation that truly protects medicare and safeguards our public health care system. Today I am keeping that promise to my constituents. Bill 204, the Medicare Protection Act, does far more than just repeal Bill 11. It replaces Bill 11 with a set of provisions designed to strengthen rather than erode the public health care system so cherished by Albertans.

Second reading involves a debate about the intent of a bill as well as debate on its major provisions. The intent of Bill 204 is clearly expressed in its preamble. It states that

the primary objective of health care policy . . . is to promote, protect and restore the physical and mental well-being of Alberta . . . through a public health care system.

The preamble enshrines the five principles of the Canada Health Act in provincial legislation. The Canada Health Act sets out accessibility, universality, portability, comprehensiveness, and public administration as the principles that guarantee access to medically necessary health care services without financial or other barriers.

Now, government members may say: well, the principles of the Canada Health Act are also enshrined in the preamble to Bill 11. While that is true, in addition to being in the preamble of Bill 204, the principles of the Canada Health Act are also contained in section 2 of the text of the bill. Because these principles are contained in the bill proper, not only in the preamble, they carry much more weight than they do in the government's bill.

Bill 204 is based on the premise that when patients are denied access to necessary health services on a timely basis, the credibility of the public health care system is undermined. There is no question that there is strong support among Canadians and among Albertans for a single-tier public health care system that serves everyone, rich and poor alike. It is only when waiting times for surgery or for diagnostic procedures like MRIs become unacceptably long that support grows for the development of a parallel two-tier system, where people with money can jump the queue and pay privately for medically necessary health services. If the guarantee of access to health care services without financial barriers is to have any meaning, we also have to be able to guarantee timely access to those services. That is exactly what Bill 204 does.

The major provision of the bill contained in section 2 sets out the rights of Albertans "to receive publicly funded and high quality health care services" in a timely manner and without financial barriers. It sets out the rights of Albertans to receive these services in a public health care system that "is accessible, universal, comprehensive, portable, and publicly administered." Moreover, it "recognises that a provider of health care services is a valued member of a multidisciplinary team." Finally, it requires that a patient bill of rights be posted in conspicuous locations in hospitals, other health care facilities, and the offices of health professionals.

Setting out in legislation a patient bill of rights to ensure access to medically necessary services is not in itself enough. Mechanisms need to be established that will ensure that the public health care

system can actually deliver on the commitments made in the patient bill of rights.

[The Deputy Speaker in the chair]

The first step would be to establish an officer of this Legislature called the health care services commissioner. The duties of the health care services commissioner would include making recommendations to the Legislative Assembly on standards required to ensure timely access to medically necessary diagnostic procedures like MRIs and CT scans, timely access to medically necessary surgery and to cancer treatment, timely access to referrals, to medical specialists, timely access to emergency services and for admission into hospital. Finally, standards would be developed to ensure timely access to long-term care and to home care.

Bill 204 also makes provision for the health care services commissioner to review on an ongoing basis whether standards for timely access need to be developed for other medically necessary health services. The commissioner would also be mandated to consult with a wide range of stakeholders on the development of these standards, including health professionals, health care unions, patients, seniors, consumer groups, regional health authorities, government departments, and other levels of government. The commissioner as an officer of this Legislature would also be empowered to investigate and resolve complaints from patients who believe that they have been denied timely access to the medically necessary health care services set out in this bill.

Bill 204 also provides for the establishment of an all-party standing committee of this Legislature called the select special committee on health and wellness. This all-party committee would work with the health care commissioner to make recommendations to the Legislative Assembly on establishing waiting time targets for health care services. At that point, it would be up to the Members of the Legislative Assembly and to the parties represented therein to pass these standards for timely access to health care services into law. I anticipate that some government members may say: well, developing standards for timely access to health care services is all well and good, but how much is it going to cost?

It is for this very reason that Bill 204 provides for consultation with health stakeholders to develop these standards. The Canadian health care system provides priority access to those patients who are most critically ill or injured. In other words, someone facing a life-threatening illness or injury is given priority in diagnosis or treatment over someone who can reasonably wait without damage to their life and well-being.

It is not the intent of this legislation to base the waiting time standards solely on the demand of the patient. However, I think we're all too familiar with situations where patients have had unacceptably long waiting times. A frail, elderly senior having to wait a year or more for a hip replacement is simply too long. An injured worker having to wait six or more months for an appointment with a specialist and then going another six months for surgery is simply too long. These are real-life examples, Mr. Speaker.

To its credit the government has, especially over the past year, reinvested moneys in the health care system to address these unacceptably long waiting times. The government and regional health authorities are beginning to measure how long patients are being kept waiting for important medical procedures. What Bill 204 does is introduce more accountability into the system by making sure that the buck stops with us as elected legislators.

Will introducing a patient bill of rights cost some additional money beyond what the government has already committed in this year's budget? It may, but we also have to ask ourselves: what is the

cost to the government of failing to reduce waiting times to a reasonable level? What is the cost to society and to government when an injured Albertan is forced to draw WCB benefits or rely on social assistance or unemployment benefits simply because he or she has had to wait an unacceptably long time for medical treatment?

The Canadian Arthritis Society released a study today reporting that the economic cost to Canadian society for the delays in orthopedic surgery alone was \$17.9 billion. Ensuring timely access to diagnosis and treatment may cost a few more dollars at the front end, but it could save all of us money in the long run.

3:00

Bill 204 also strengthens the public health care system in a number of other ways. Bill 204 would ban queue-jumping once and for all. It would base priority in medical diagnosis and treatment on the health needs of the patient, not on the size of their pocketbook. Unlike the government's Bill 11, which sets out a complicated process whereby patients can be required to pay out of pocket for so-called enhanced goods and services, Bill 204 would simply not allow these direct patient charges.

Bill 204 would require all medically necessary health care services that require an overnight stay to be performed in a hospital operated on a nonprofit basis. Unlike the government's Bill 11, which is a blueprint for the establishment of private, for-profit hospitals in this province, our Bill 204 shuts that door completely.

As a result of this Conservative government's pro privatization bias, there are over 50 private, for-profit surgical clinics operating in Alberta. These facilities are accredited by the province's College of Physicians and Surgeons under the Medical Profession Act. Many of them have contracts that give them access to public funds through regional health authorities. Bill 204 would not allow any new contracts between regional health authorities and these private, for-profit clinics. Bill 204 would give existing private clinics two years to reincorporate as legal nonprofits if they wished to continue receiving public funds. Existing private clinics that do not receive public funds and provide only nonmedicare services would not be affected by any of these changes.

Bill 204 contains similar provisions for nursing homes that contract with regional health authorities. It would give the existing nursing homes operated for profit two years to reincorporate as legal nonprofits if they wished to continue receiving public funds.

The distinction between public health facilities operating on a for-profit basis and those operating on a nonprofit basis is an important one. For many years in this province we've had hospitals operated by Catholic organizations. We've had nursing homes operated by Lutherans and other voluntary groups. These voluntary nonprofits operate for much the same reason as public health care facilities. They operate to serve a need, not to make a profit for a shareholder.

There are many sound reasons why we need to put a brake on the commercialization of our public health care system. The evidence is overwhelming that using for-profit corporations to deliver public health care services costs more and delivers less. Conflicts of interest between duties to patients and duties to the bottom line inevitably arise. International trade agreements like NAFTA and the WTO mean we will have to provide the same access to foreign health care corporations as we do to Canadian ones. We can and must put a stop to the creeping privatization of our health care system and focus on strengthening the capacity of the public system to ensure timely access to medically necessary health care. It can be done, Mr. Speaker.

I note that the government of Manitoba recently announced that it was buying the Pan Am clinic and making it part of the public system. The Pan Am clinic does a wide range of day surgeries and

was used by this Conservative government as an example of privatization elsewhere in Canada during the Bill 11 debate. If other governments recognize the folly of going further down the road of health care privatization, why can't this government?

Finally, Bill 204 would also require any contracts between the public system and nonprofit health care facilities to be made public on the same basis as they are in Bill 11.

In conclusion, Mr. Speaker, Bill 204 provides real and meaningful protection to the public health care system, unlike Bill 11, which is a blueprint for gradual privatization. I look forward to the debate on this important bill and urge members on all sides of the House to support it.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Red Deer-North.

MRS. JABLONSKI: Thank you, Mr. Speaker, for the opportunity to speak against Bill 204, the Medicare Protection Act. The government has a long-term vision for health care in the province of Alberta. We call it the six-point plan. On March 12 of this year this government went to the people of Alberta and asked them if they shared the vision. The answer from Albertans was a resounding yes.

Mr. Speaker, I must speak against Bill 204, as it would undermine this vision for health care and the direction this government is pursuing. Under our six-point plan for health we have established firm guidelines and rules designed to protect Alberta's publicly funded health care system. This six-point plan for health care clearly states the government's desire to improve access to and enhance the quality of publicly funded health services in the province of Alberta.

The Health Care Protection Act is an integral part of the government's plan for health care. It put into place firm rules and regulations that will provide a public health care system that is efficient and responsive to the needs of all Albertans, and this includes reducing waiting times. Its regulations were developed after considerable consultation with organizations representing doctors, nurses, health authorities, and other concerned parties.

Private facilities have long been a fixture of health care in this province, and the Health Care Protection Act clearly lays out rules and regulations for them. Before the introduction of the act there were 51 private health care facilities that we had no control over in this province, and now, Mr. Speaker, they are regulated.

The act has also made the contract procedure for all private health care facilities open and transparent. Further facilities wanting to provide insured health services can do so only under contract with a regional health authority, and the health authorities have assured this government they have no plans to seek a contract for overnight stays. Also, all major surgery must continue to be done in a hospital, and the Health Care Protection Act expressly prohibits private hospitals. Therefore, only nonmajor surgery needing more than 12 hours of postoperative care can be done in a private facility offering overnight stays.

The College of Physicians and Surgeons of Alberta recently approved the standards for facilities wishing to offer surgical procedures that require an overnight stay. The college had the authority to set these standards at any time but deferred until the Health Care Protection Act was in place to restrict and control private facilities in Alberta. The most important restriction requires that a surgical facility achieve both college accreditation and ministerial approval before it can operate. Mr. Speaker, neither the college nor the department has received an application for accreditation.

Bill 204 seeks to put in place a health care services commissioner to recommend the establishment of waiting-time targets for health

care service. Mr. Speaker, this government has taken firm action on waiting times. Just one example is that in 2000 the number of heart surgeries performed in Alberta actually exceeded the number of people waiting for heart surgery. In fact, the demand for open-heart surgery in Alberta increased by 25 percent while the waiting list decreased by 14 percent. This government has accomplished this feat by providing increased funding to enhance service levels in heart surgery. This has resulted in more open beds and in the recruitment and training of additional cardiac staff.

Another example of this government's decisive action on waiting times is the availability of MRI scans in the province. Mr. Speaker, I am pleased to inform the Assembly that waiting lists for MRI scans in Alberta are steadily declining. The number of MRI scans being performed is now surpassing the number of people waiting to have MRIs. Just this month the government set a clear target rate for MRI scans of 24 scans per thousand population. This will be the highest rate in the country and is more than double Alberta's '99-2000 scan rate of 10.4 per thousand. Seven previously announced MRIs will be installed this year, and this will bring the number of MRI machines in Alberta to 15, more than double the number of machines in operation last year. That means that Alberta will have the highest MRI capacity in Canada.

This government has recognized the value of incorporating cutting-edge medical technologies in our public health system and is committed to making them accessible for the benefit of all Albertans. The government of Alberta is also taking action to decrease waiting times for hip and joint replacements. As our population ages and as surgical procedures and quality of artificial joints improve, there has been a major growth in the demand for these surgeries. This government has responded and made additional funding available to increase the number of replacement surgeries available to Albertans.

3:10

We need to optimize the value Albertans receive from our health care system. This government is committed to making every dollar spent on health care work towards an effective and efficient public health care system. Instead of spending our health care money on matters this government is already addressing, we should be spending it on new and innovative programs to meet the needs of the 21st century.

Bill 204 also calls for the creation of an all-party committee on health. This is unnecessary. The government of Alberta already has a number of committees made up of health care experts to examine the various elements of our provincial health care system. The standing policy committee on health and community living allows Albertans to provide specific input into health policies, programs, and legislation. This committee meets with health care professionals and organizations to hear their ideas on the health system. The Premier's Advisory Council on Health is comprised of leading health policy experts representing physicians, the nursing profession, and other key sectors. This council provides strategic advice on the preservation and future enhancement of quality health care services for Alberta and on the continuing sustainability of the publicly funded and administered health system.

Mr. Speaker, there is also the Health Information Standards Committee for Alberta, that oversees and co-ordinates the development and dissemination of approved health information data and technology standards within Alberta. The committee ensures that these standards align with approved provincial reporting standards as well as national and international standards.

The newest health committee that assists our government is the Alberta MRI Review Committee. It was established to build on the

regional health authorities' current role in delivering MRI services. The committee will appoint physician specialists to review cases of privately purchased MRIs and, based on medical information and urgency, will determine if reimbursement is appropriate.

Mr. Speaker, these various committees were established to provide the government with a wide range of Albertans' concerns, interests, and opinions. Listening to these concerns helps chart the course for our public health care system.

I feel it's important to mention that the federal government has recently announced the Commission on the Future of Health Care in Canada. Former Saskatchewan Premier Roy Romanow will head up the commission of inquiry. Mr. Romanow's commission will make recommendations on the sustainability of a publicly funded health care system that will balance investments in prevention and health maintenance with those directed to care and treatment.

Mr. Speaker, every government in this country is concerned with health care, especially this one. Alberta already has the committees necessary to provide our government with expert advice and insight. Another committee as recommended in Bill 204 is unnecessary.

As announced last week in the budget speech, Mr. Speaker, the government is substantially increasing the amount of money allotted to our health care system. Funding will be increased by 13.5 percent this year, and over the next three years it will be up a total of 28 percent. Within three years this government will be committing 35 percent of total spending to our public health care system. This means more funding for all elements of the system and will certainly reduce waiting times.

But, Mr. Speaker, improving our health care system is not dependent only on the money that is put into the system but on the people who provide the services. That is why funding has also been increased to our postsecondary institutions, and that means more qualified men and women to fill the ranks of our health care system.

Mr. Speaker, we have one of the best health care systems in Canada. This government has made a commitment to Alberta's health care system that will not waver. Bill 204 would undermine that commitment, and I urge the members of this Assembly to vote against it.

Thank you.

THE DEPUTY SPEAKER: May we briefly revert to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**
(*reversion*)

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

MR. RENNER: Well, thank you very much, Mr. Speaker. It's a real pleasure for me to take this opportunity to introduce to you a group of very special young people from the city of Medicine Hat. You know, it's not very often that I get to introduce students who venture all the way up to Edmonton from Medicine Hat, but to have an opportunity to introduce such a special group as the Crescent Heights high school band is a real pleasure for me. This band has a reputation throughout the community and, in fact, throughout the province as being an award-winning band. I understand that they're up here in Edmonton to compete in some Education Week festivities, and I wish them all the best. I'll be meeting with them shortly to have pictures taken and talk with them all, but I'm just so pleased that they're able to join us here in the Legislature this afternoon.

Mr. Speaker, I would like to indicate that 81 students have joined

us today along with teachers Mr. Bill Wahl, who is the head band instructor at Crescent Heights high school, Mrs. Joanne Jensen, Mrs. Shirley Woodward, and Mr. Andrew Strange. I can see a number of them seated in the public gallery. I'm not sure if they are all there or if some are in the members' gallery. I would ask that they all rise and receive warm recognition from all members of the Assembly.

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

Bill 204
Medicare Protection Act
(*continued*)

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

DR. TAFT: Thank you, Mr. Speaker. I am very pleased to speak to Bill 204, the Medicare Protection Act. I am certainly a supporter of this bill and I think a supporter based on a tremendous amount of thought, reading, and consideration. I am confident that there will be widespread support for a bill of this nature across Alberta. I've certainly traveled from corner to corner to corner of this province speaking on these kinds of issues, and I know that Albertans hold a public medicare system close to their hearts and want to see it truly protected, not hollowed out. I think this bill would go a long way to achieving that.

There is extensive literature, truly thousands of academic papers written on health economics from around the world. I have at various times in my career spent many hours studying dozens and dozens of these. I've published in the area. One of the things I can say with complete confidence is that there is simply no evidence to support for-profit delivery of health care. Study after study from the United States, Canada, Singapore, Great Britain, and many other countries in the world suggests that we must go as far as we can to protect a public medicare system in Canada.

As a person with a business degree I am quite comfortable with markets. I support markets. I am comfortable with free enterprise. The evidence is clear that in many cases markets and free enterprise work very well. They can be efficient; they can be creative; they can be productive. There are countless examples of that in our lives every day.

At the same time, the evidence is also very clear that markets have their limits. There are a number of areas in which the evidence is simply overwhelming that markets don't work; for example, in health care. Trying to run the health care system through the markets is a profound mistake. We should be able to learn from the lessons of other countries and not make these mistakes. Again, I think Bill 204 would go a long distance to pre-empting or preventing those mistakes.

If we do as I believe will be done over the next four years under this government and supply more and more of our health services through private, for-profit clinics, we will see higher costs, we will see longer waiting lists, we will see reduced efficiencies, and we will see soaring corporate profits, profits that will be taken out of resources that otherwise could go to patient care.

3:20

Higher costs: why would we see higher costs? Well, we would see higher costs because a typical for-profit health corporation is looking for growth in returns annually of 15 percent to 20 percent a year. If they aren't achieving that kind of growth, their management will be replaced. [interjection] That routinely happens, and

anybody who follows the market with care and intelligence will understand that. [interjections] If we incorporate that kind of approach into our public health care budgets, we're going to simply lose control of our expenditures.

THE DEPUTY SPEAKER: Hon. minister, entering into debate is part of what this Chamber is all about, and I'll put your name down so that when the next opportunity arises, you may address the thing. Right now we have the hon. Member for Edmonton-Riverview.

DR. TAFT: Thank you, Mr. Speaker. I think the recent column in the newspaper on a series of FOIP requests for information behind Bill 11 revealed how little evidence there was to support the provincial government's campaign. It was virtually nonexistent. On the other hand, there are truly bookshelves and libraries full of material that would oppose increasing the for-profit role in health care. I can also tell you that virtually any credible health economist would support this same position, and I expect that the great majority of them would support this bill.

Under the Canada Health Act we have developed in Canada an enviable medicare system. The kind of public panic that is being generated about out-of-control costs is largely unjustified. Despite claims by this government that health care spending was soaring out of control in the later 1980s and the early 1990s, the evidence, good evidence, showed quite the opposite. Once adjustments were made for inflation and population growth, health care spending in Alberta was actually flat from 1987 through 1993. There was no out-of-control health care spending crisis in Alberta through that period.

I will also address a couple of concerns raised by the hon. member's response to the bill. The fact that the number of procedures conducted in the health care system exceeds the number of people waiting for that procedure on the waiting lists strikes me as virtually irrelevant. I am certainly hoping that there are fewer people on the waiting list for appendectomies than there have been appendectomies performed this year, for example. There's, I believe, a breakdown in logic there.

I would also point out that the credibility of the government's health protection act is extremely low, and public suspicion is, I think, justifiably high. Again, repealing that act, I think, is a very important step in the right direction. It's something that, in fact, the Liberals have been committed to for a number of years, as I'm sure the hon. member will agree.

I would also point out that the contracting process for for-profit health care delivery is seriously compromised, indeed I would say profoundly compromised in a number of the regional health authorities because of conflicts of interest that simply would not be accepted in other areas of the public sector. So, for example, we have senior officials on the payroll of the Calgary regional health authority who are also major shareholders in for-profit companies that contract to that regional health authority.

We don't allow our senior public servants in other departments to be in those kinds of conflicts of interest. We don't allow senior members of the staff of the Department of Transportation to oversee contracts that go to their family members. We should not allow that to occur in our regional health authorities. As long as it does occur, there are serious, serious questions about the contracting process under which for-profit contracts are let in the regional health authorities.

With all of that said, I think there are a number of angles to Bill 204 that should be spoken for. The patient bill of rights is certainly worth very serious attention. The creation of the particular commissioner for public health is an excellent idea. The incorporating of the principles of the Canada Health Act into the active clauses of the

act is an excellent idea, and as I've indicated a number of times, repealing the Health Care Protection Act that's currently enacted is urgent and important.

With those comments, Mr. Speaker, I will take leave. Thanks.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I'm delighted to participate in debate at second reading on private member's Bill 204, the Medicare Protection Act, at this time. I'm looking forward because I'm sure this is going to pass and go into committee and I can have dialogue with the author of this bill, the hon. Member for Edmonton-Highlands, regarding some friendly amendments.

It's a good piece of legislation. If imitation is a fine form of flattery, then the hon. member certainly has been reading some of the Liberal proposals from the past, in particular our 1998 health care bill of rights. We certainly had the idea of having an independent health ombudsman.

I commend the hon. member, after the debate that occurred on Bill 11 last year, for bringing this forward. I can see a role for this health care services commissioner already. After this bill becomes law, the first job of the health care services commissioner would be to appear before Mr. Romanow, the distinguished former Premier of Saskatchewan, who is going to go across the country and have a close look at the public health care delivery system in this country.

Now, the hon. Member for Red Deer-North talked about there being no need to worry. I believe the description was: there are going to be no private hospitals in Bill 11. But I would like at this time to take the opportunity to remind the hon. member, Mr. Speaker, that private hospitals can exist by another name. We look at the Walter C. Mackenzie Health Sciences Centre. Certainly we know that that's a hospital. The Mayo clinic in Rochester, Minnesota, also is a hospital. So just because the name hospital is not on a building does not mean there aren't going to be overnight stays and it's not going to be a private, for-profit hospital. Or, as I said yesterday, many individuals I had the pleasure of getting to know during the Bill 11 debate said about the HMOs: hand money over before you get health care. That's what they affectionately called the HMOs: hand money over.

We also had the Cambie centre in B.C. The Cambie centre in B.C. is certainly not a hospital. There's no name on it, but it's a hospital and has overnight stays. It was started by the New Democratic Party in the last 10 years. So the New Democrats are not as innocent in all this as they would like to maintain. They had been advocating private hospitals in B.C. This is the reality.

THE DEPUTY SPEAKER: I hesitate to interrupt the hon. Member for Edmonton-Gold Bar, but the time allocated for this item of business on this day has expired.

3:30

head: **Motions Other than Government Motions**

Second Language Education

501. Mr. Johnson moved:

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

[Adjourned debate April 24: Dr. Massey]

THE DEPUTY SPEAKER: Okay. The hon. Member for Calgary-Egmont.

MR. HERARD: Well, thank you, Mr. Speaker. It's a pleasure to rise today in support of Motion 501 sponsored by my colleague from Wetaskiwin-Camrose, because this motion has the potential to lead to significant change and improve the outcomes for our already good education system and all for the benefit of future generations.

Mr. Speaker, I've often said in this House that the difference between politicians and statesmen is that politicians do things for the next election, but statesmen do things for the next generation. I believe this motion is one of those that, if accepted, has the benefits for the next generation in mind.

Mr. Speaker, we're all familiar with the concept of globalization and what it's doing to the global economy. Every time we open a newspaper or turn on the television news, we see that word "globalization," and we become more aware that a growing number of nations are now preparing to become a part of the global system of commerce. The growing sophistication of technology, communications via the Net, and transportation systems make it easier and accelerate globalization trends.

Since our schools and universities must prepare the next generation of Albertans to succeed in this new environment, Mr. Speaker, it is our responsibility, then, as government to create the conditions that will provide our learning institutions with the mandate and tools to prepare our students as well as they can be prepared. The new globalization environment requires our students to be as prepared as possible not only for the challenges of the economy but, more importantly, for the new human relationships that must now effectively deal with many more different cultures and languages.

Mr. Speaker, Motion 501 speaks directly to the issue of ensuring our students are prepared for the challenges of today and tomorrow. Motion 501 urges the government to make "a second language a compulsory component of a high school diploma" within five years and seeks to also "increase the opportunities for Alberta students to participate in national and international" language exchange programs. Both of these objectives could produce measurable advantages for future generations for both our students and the province.

Mr. Speaker, having the opportunity to travel abroad and across Canada can have a profound impact on the shaping of a young mind and soul by involving our students in learning what is essential in human relationship building. A student fortunate enough to learn in a foreign learning system receives not only the benefits of an alternate form of education, but they experience firsthand and absorb the historical richness of diverse cultures, and that can't help but change you as a young adult. The benefits of such an experience would not only be invaluable to the student but also to the people of Alberta.

I have met countless foreign businesspeople being introduced to our environment and culture by exchange students who had begun to forge that relationship while learning abroad. Now, in the fullness of time those relationships are introducing potential foreign investors to the logic and good sense of investing in Alberta and its people. New agreements on tariffs and trades also help to foster these new relationships. So by providing our students this exceptional opportunity, Alberta also has a golden opportunity. Our province sends out young, bright emissaries ready to show that Albertans do excel in any environment anywhere in the world because of their ability to make lasting and meaningful human relationships with any culture.

[Mr. Shariff in the chair]

Our province already enjoys international exchange agreements with well-established economies such as Germany, Japan, and Spain, and we are currently finalizing an agreement with Mexico. Well, that's a fine start, Mr. Speaker, but Alberta needs to expand its range of nations as their economies expand to global proportions. Our exchange programs should be taking us to new economic regions in Asia such as South Korea and Hong Kong and many others. We should also be expanding our contacts with emerging South American economies like Brazil and Argentina and other developing economies like India. It is these economies that will further develop and expand the fastest in the years to come.

However, the advantage goes both ways. As our students introduce us around the world, Alberta gains the advantage of learning from visiting students as well. We can gain valuable insight into how to deal with people with different nationalities, ethnicity, language, and culture, by helping them to succeed and learn in our province. What a tremendous advantage to a young Albertan, to a young mind a second language would be, and what a valuable future asset to Albertans.

But those are only a few of the reasons why I urge this Assembly to seriously consider approving this motion. Life is about relationships. Business is about relationships too, and these relationships are often very different in other countries. Success is largely dependent on being able to appreciate the difference in culture and, of course, understanding the language but, more importantly, bridging the gaps with lasting human relationships.

Mr. Speaker, for our province to keep up with the ever expanding global economy, we must develop Albertans who are fluent in several languages. We only have to look at the European community to realize that they currently foster and therefore enjoy a tremendous advantage because it's not unusual for them to function in four or five languages or more.

Sending our students abroad is important for Alberta, but we must also promote the benefits of learning a second language in our own backyard and through our education facilities. In the mid-90s 32.5 percent of our high school graduates had completed a 30-level second language course. Sadly, by the end of the '90s only 23 percent of our high school graduates could boast a 30-level second language. Now, this isn't moving in the right direction. It's not for the lack of opportunity or variety that there is this decline. Many of our high schools offer second language courses in several languages other than our two official languages. In fact, Alberta can offer second language instruction in 15 other tongues, ranging from Arabic to Polish, but let's provide our schools with the tools and the mandate to expand this. Let's make a globally relevant second language program compulsory for our high school graduates. We should approve Motion 501 and help make our already good education system even more of a success story.

Mr. Speaker, last October the city of Edmonton hosted an international symposium called Languages: Passport for the Millenium. Delegates from education, business, and the political arena all met to discuss the impact of second-language instruction on both students and society. To paraphrase the outcome, one report showed that students fluent in two languages displayed better measures of both verbal and nonverbal intelligence and that these children also had more diversified cognitive abilities. Others demonstrated that bilingual children had more effective problem-solving abilities than unilingual children. As well, these bilingual children had higher standardized test scores in mathematics, reading, and language arts.

So you sort of have to ask the question: why do they seem to do so much better? The reason, in my view, is that they understand the nuances of words and their meanings; in other words, comprehen-

sion, pure and simple. Words in any language have a history. They have a culture and in many ways are the souls of a nation. When you understand the emotion of the word, you have been changed forever in terms of how you view that world, because you now understand why that word is what it is because of the contribution of culture and history.

3:40

Mr. Speaker, I took Latin in high school, and I absolutely hated it. But why is Latin still the most precise language in the world? In my view, it's because of the myriad of conjugations and declinations that add precision to the picture the word transmits. Latin is still considered the legal language because of its precision. So when you understand the emotion the word conveys, you get the picture.

Through words you express your creative power. It is through words that humans manifest everything and clarify their intent. So, Mr. Speaker, the benefits of second-language instruction are not just economic or even academic, but more importantly they give the student the ability to develop cross-cultural awareness, the understanding required to build meaningful, lifelong human relationship skills. These students are generally able to adapt more effectively to different cultural settings and show greater cross-cultural sensitivity than their one-language counterparts. If everything in life revolves around relationships, then why not give the leaders of tomorrow, the principal citizens of the new global economy, the requisite skills to build these human relationships in the global village?

Mr. Speaker, to paraphrase and use perhaps a personal experience that I had to make a point, I recall so vividly the amazement I felt when visiting St. Peter's in Rome. I was absorbing and marveling at the richness and beauty of the paintings above many of the side altars, but as I came closer, I realized that they weren't paintings at all. They were mosaics with tens of thousands of painstakingly selected and shaped minute pieces of marble, each nuance in colour and texture playing their own small part to achieve the overall glory of the masterpiece. While I believe that in human beings each additional experience in culture and language contributes its own small part to the mosaic of life, enriching, understanding, and respect for the historical context of other cultures, languages, arts, and the soul of nations, the bottom line results in human relationships that make life more meaningful, more productive, more fun, more forgiving, and more peaceful.

So let's support this motion for the sake of our future masterpieces, our children. Thank you.

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

MRS. O'NEILL: Thank you very much, Mr. Speaker. I rise today to speak in support of Motion 501, which encourages the learning certainly of a second language and indeed perhaps even a third and a fourth for our high school students and then suggests that they put that learning into practice by engaging in some national or international exchange programs.

It is my belief that because we live in an officially bilingual country and it is my experience that because we live in a multilingual, multicultural community, it is very important for us to put into the curriculum structure of our high school programs one that encourages the learning of a second language. There are many people in this Assembly who have talents that I admire and certainly, I'd almost say, that I envy. Many of the Members of the Legislative Assembly here gathered can speak not only one but two and perhaps three or four or as many as five languages. This is something that they learned perhaps at home, but no doubt they also learned them in the schools which they attended.

I believe that of course language is certainly the way that we communicate and communicate extremely well. If we have the ability to communicate and reach out to another person in their language if it is other than ours, we breach and we reach over a chasm or an area that might perhaps precipitate some enhanced understanding. Learning a second language, I also know, enhances the growth of the brain muscle. It also teaches us to use our tongue in different ways for the benefit of communication and exchanges in friendship. Communication creates not only friendship, but it also creates commerce.

So those students in our schools and particularly in our high schools I do believe should experience the learning of a second language. I would hope that they have learned one of those languages initially in elementary school, at least been introduced to them. But when it comes to high school learning and curriculum, for them to be compelled, as the motion says, to a compulsory course or courses in a second language – it doesn't have to be the other official language; it can be any language – I think is only providing for them an enrichment and a valuable lesson that they will use for the rest of their lives.

My colleague who spoke previously indicated, too, that learning a second language, learning a language other than our mother tongue, helps us to increase our brain power, our brain activity. Studies have indeed shown that problem-solving comes more easily and becomes greater and more successful for those students who exercise their minds in other disciplines, one of them being, of course, learning another language.

A second language is a tool for learning, a tool for learning much more, not only for learning the beauty and the joy of the poetry of another culture in another language, but it also provides a tool for our students and for anyone who can speak another language to be able to communicate with others in their business dealings, in their cultural exchanges, and certainly in their own circumstances, which is what the second part of this motion encourages, and that is an exchange program.

To learn a second language and I daresay to be compelled to learn that second language in our high schools will increase students' appreciation of other languages, of other nations, and of other peoples. For they say – and I know it's true, because our daughter in particular, who learned one language taught by the father of one of our representatives sitting at the Clerk's table here, has learned a second language, but in so doing in that school also was introduced to a third language. She has gone on to use that language in her business experience and certainly found that learning a third language is easy compared to learning the second language and certainly compared to learning the first.

So I would say that if we are to support this Motion 501 and urge the government to make it compulsory for high school students to learn a second language in a course provided to them in the curriculum of high school, we are doing them and their futures a favour. We are planning and providing for their opportunity to grow, to grow personally, to grow in their business, and certainly to grow in the international and global milieu in which we live and do our commerce. It provides an opportunity, too, for our students to be interconnected to each other, because when we can speak to someone else in their language, which perhaps isn't our mother tongue, we can understand them better, and I hope and truly believe that we can appreciate them better as well.

So I do want to urge, Mr. Speaker, everyone in this Assembly to support this motion. Not only is it an opportunity for our students to be provided with this additional skill of knowing a second language, but it's an opportunity for them to move forward in all that they wish to explore. I would like to add, too, that being a former Latin

teacher – and I understand that your Latin teacher, my member to the right, was obviously not impressive on you. It is a dead language. In fact, my students used to always change the cover of the book, which was called *Living Latin*, to Dead Latin. And it is a dead language – it's not something that is used – but it is the basis of understanding the construction and the grammar of many of our Romance languages.

There has been the provision, the compulsory provision, in the past in our high school curriculum that students should study a second language, but unfortunately we have lost that. But because we had it before and I feel that it was to the advantage of high school students, I would like to encourage everyone in this Assembly to agree to and to vote for this Motion 501. It will do nothing but encourage the learning and enhance the learning capabilities of students in high school.

I appreciate the efforts of the sponsor of this bill, and I do again encourage everyone to support this bill. Thank you.

3:50

THE ACTING SPEAKER: The hon. Minister of Learning.

DR. OBERG: Thank you very much, Mr. Speaker. It certainly is an honour to be here today to be able to speak to this motion. At the outset I'd like to say that the Department of Learning and myself in particular as Minister of Learning are both in favour of this motion, and I think it's something we should move strongly towards.

What this motion is asking us to do is take a look at making a second language compulsory. Mr. Speaker, what I believe we need to do is sit back and ask the question: well, why would the hon. member bring this motion forward? I think you saw the answer today sitting in the Speaker's gallery, in your gallery, Mr. Speaker, where we saw the minister of education from Brazil, we saw the minister of education from Australia. What this shows us is that education, that learning, that people in general are a very globalized society today. We are no longer bound by the constraints of the boundaries of Alberta, the boundaries of North America. What we're seeing is a huge amount of traffic that flows back and forth between different countries around the world.

I'm a true believer that if a child, if an adult learns a second language, the third, fourth, fifth, and sixth languages will come that much easier. I truly believe that with this motion making a second language mandatory, it will do nothing but help our students in the long run.

A Japanese gentleman told me, if I can beg time to say this, in response to questions that were going around – they were probably very similar to questions that were in this Assembly, Mr. Speaker – that the language of the computer is English. The language of commerce, a lot of people will say, is English. The Japanese gentleman told me that the language of commerce is not English; the language of commerce is the language of the customer. I believe that to be extremely true in that when you're communicating with the customer, when you're communicating for an economic advantage, it helps significantly if you don't go through interpreters, if you are able to communicate directly one on one.

I think, Mr. Speaker, you know yourself, having been able to speak more than one language, the ability, the one-upmanship it gives an economy if you're able to communicate with your customer in the language of that customer. I truly believe that this will be a huge advantage to us.

Mr. Speaker, we have an excellent school system in Alberta in all but one area, and the area that I'm not happy with, the area that I'm not pleased with when it comes to education in the K to 12 system is the number of foreign languages and the number of students that

are taking foreign languages. We're actually seeing the number drop off. I believe that that's truly a mistake, and I believe that this motion by the hon. member would do a lot to rectify that situation.

What he states in here is that he's making a second language compulsory for a high school diploma. I would even go one step further, Mr. Speaker. I would say that at some time in the future second languages should be compulsory throughout the school system, and at some point in the future I will guarantee that that will occur. It may not be within the next five years as in this motion, but I will guarantee that will occur.

Mr. Speaker, the second part of the motion was what I just came from, which is to encourage Alberta students, to encourage Alberta teachers to have more international exchanges. The hon. member would be pleased to know that I just arranged with the minister from Australia for more exchanges to take place between Australia and Canada. Presently we only have four teacher exchanges between New South Wales and Alberta. We hope to expand that, and it was his wish as well that we do expand that, that we do push the globalization.

Mr. Speaker, the average postsecondary institution in Alberta today is in 22 different countries. I will be going over to Beijing in August or September of this year, where the Medicine Hat College in the southeast corner of this province, a very small college of 2,000 people, is opening a school in Beijing. This speaks to the globalization that is occurring within our economy, and it speaks to the absolute need that our students have to have a second language and potentially a third or fourth. Are we talking about French? That's another question that comes up because people say: well, gee, you know, I took French in school, and I never use it anymore. No, we're not talking French. We're talking a second language, period. It could be French. It could be Spanish. It could be Greek. It could be Chinese. But I feel that the aptitude for learning languages comes from learning one language, in effect having one more language than what you're essentially speaking now.

Mr. Speaker, for that reason I completely support this motion, and I would ask that the whole Assembly do as well because I believe that it will sincerely help our economy, that it will help our students, and will help make this a much more global place.

THE ACTING SPEAKER: I hesitate to interrupt the hon. Minister of Learning, but under Standing Order 8(4) I must put all questions to conclude debate on the motion under consideration.

[Motion Other than Government Motion 501 carried]

Agricultural Investment Shares

502. Mr. Fischer moved:

Be it resolved that the Legislative Assembly urge the government to explore the possibility of increasing investment dollars in agriculture and the agricultural industry through the use of a tax vehicle in the form of flow-through shares.

THE ACTING SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Speaker. I'm pleased today to begin debate on Motion 502, which urges the government to explore the use of flow-through shares as an investment tool to attract capital investment in the value-added processing and marketing sector of agriculture. These issues surrounding the viability of farming today have created a great deal of discussion in my constituency and are vital for the well-being of every community in rural Alberta. I believe that Motion 502 could provide the missing link to the

agriculture production chain. It has the potential to attract the necessary capital to be more competitive on the world market. Flow-through shares will encourage the growth of Alberta's value-added processing sector for agriculture products, which is necessary if our farmers are to remain profitable in today's increasingly competitive world marketplace.

The agriculture industry has been the number one economic engine for Alberta over the past hundred years, since the beginning of Alberta being a province. Grain, livestock, and agriculture food products have all been in demand around the world for the majority of those hundred years. There was not enough food for people in many countries, especially in the years of World War I and World War II and the many years that it took to rebuild and put European farmland back into production. Canada was in the fortunate position of obtaining preferred markets that would take all of the raw product that we could produce and at good prices. There have always been some transportation problems and marketing difficulties. However, in general things were quite good, and there was a reasonable balance between production expenses and the prices that producers received for their product.

[The Speaker in the chair]

During the past 30 years major changes began to take place. More productive varieties, new technologies, and unfair subsidies all encouraged increased production. Markets dried up, and importing countries became exporters and our competitors. Inflation drove up input costs, and product prices did not keep up.

4:00

Mr. Speaker, machinery costs have increased possibly 50 times from back in the early part of the last century. I had a copy of an old newspaper that in 1926 was selling number 1 wheat for \$2.67 a bushel. Today that same grain may sell for around \$4 a bushel. It's almost doubled since 1926. I would like to clarify something for the Member for West Yellowhead. Even though I may be among the senior members of this Assembly, I was not reading that newspaper in 1926.

The unfair competition based on multibillion dollar farm subsidies from the European countries has become ridiculous. Instead of a fair and even competition based on the capacity of the land and the ability of the farmers, the competition has only developed between trading blocs. It is clear that the European Union is not interested in importing our commodities except at the lowest prices and has established tariff barriers which make selling our commodities economically unviable. Also, there are subsidies that have caused the supply of food to expand so unnaturally, and the entire world market is saturated with cheap commodities.

Something must be done to help our farmers obtain fair value for their crops. Motion 502 will create markets for food commodities right here in Alberta, and Alberta goods will have the advantage of very low transportation costs to markets. This advantage will help offset the unfair world trade practices in agriculture that are now being used even by the U.S.

Flow-through shares that encourage value-added processing to the many products we produce would provide a valid option for farmers and producers and give a much-needed and long overdue boost to the agriculture sector. Currently flow-through shares are common shares subscribed from the treasury of a company engaged exclusively in Canada's oil and gas industry. The common shares are purchased according to a flow-through agreement at a premium to the market price of the company's shares, and this is compensation to the company for the benefit of tax deductions. Then it is

passed on or flowed through by the company to the investor.

There are a number of investment tools that could also assist in this growth and investment. However, the flow-through plan is one that becomes very attractive to an investor who may be in a high tax bracket. His benefits are threefold: first, a substantial saving by lowering the tax rate by moving into a lower tax bracket; secondly, they are offered a share at a discount to the market price; and third, they enjoy the opportunity to participate in the success of the company. The flow-through plan is the right plan. It will make it much easier for entrepreneurs to raise venture capital.

Mr. Speaker, let's take a look for a moment at how flow-through shares have impacted the oil and gas industry. First, we must visualize that this incentive may not be available for all the multi-billion dollar international companies. There are many very small start-up companies that have flourished and grown through the use of this investment tool. It encourages higher than normal risk dollars for the exploration and development of new oil and gas wells. These dollars may not have otherwise come into the industry. It allows the investor to share part of the risk with governments, as the program can allow investors to write off up to 100 percent of the expense claimed.

The benefits to the oil and gas industry are enormous. Firstly, it allows small business to participate and opens up many opportunities for our young and talented Alberta entrepreneurs. Rig workers, drillers, and management all benefit from the high wages within that industry. Secondly, it provides the much-needed local competition, which results in a healthier industry.

Mr. Speaker, the concept of flow-through shares would work the same way in Alberta's agriculture industry as it does in the resource development industry. The capital raised would help finance the construction of value-added production plants around Alberta. Over the past two decades entrepreneurs in this province have moved ahead with secondary processing and value added, and there is growth in the industry. However, is it fast enough to keep up with the changing world markets? The answer to that is no. Just to demonstrate that, Stats Canada stated on Alberta's food and beverage industry that \$9 billion is in that industry and only 9 percent of it is processed oilseed and grain products. Only 9 percent out of the \$9 billion.

There are many good thoughts and ideas proven through research that fall by the wayside because investors will not risk the dollars. There are many more ways to add value to our traditional products. For example, turning grain into ethanol, which is an industry surprisingly slow to develop here in Alberta, is a major business in the U.S., using up to 20 percent of their total grain production. Motor oil from canola has not thrived here even though Alberta is a major canola producer, but it is going ahead in other areas.

By bringing the means of value-added production closer to Alberta, more jobs are created and the potential value of the raw commodity is gained by Albertans. This strategy of field to retail vertical market integration keeps profits inside Alberta and reduces the transportation costs. Our goods would compete well, and locally grown commodities would be worth more. Thus the farmer could bring in greater profits and be less reliant on government subsidies in the future.

Mr. Speaker, this government is interested in diversifying our economy. Oil and gas have been the bread and butter of the province for the past couple of decades, and we are making strides to reduce our dependence on this industry. Motion 502 proposes that we at least give fair treatment to agriculture and allow investment dollars to enter on a tax deductible basis in the same way as in the oil and gas sector. The reason that the tax deduction is allowed is because the money raised through the shares goes to new capital,

and these costs are deductible to business. Allowing this type of investment tool in the agriculture sector would promote investment and innovation. Increasingly the markets for primary agriculture goods are declining and are not expected to increase in the near future, according to the World Trade Organization.

There needs to be a solution to help Albertans obtain fair value for their product. Presently Canadian agriculture goods are being priced out of international markets. Many European countries have given large subsidies to their farmers and agriculture producers which undercut the price of many competitors who trade their products internationally. Canadian farmers are not capable of keeping up with these subsidized prices and are forced to lose value on their goods.

Mr. Speaker, in order for the Canadian farmer to regain the preferred standing that they once had on the international market, we must find a way to maintain a competitive edge. Huge farm subsidies like the ones received in European countries are not an option. They are a quick fix to a problem and in the long run will prove to be a greater expense, with no long-term solution.

In order to maintain a competitive edge in the international market and even within our own country, we must look at changing the status quo. Why? Because, Mr. Speaker, agriculture is an industry unlike any other industry. It operates similar to others with input costs, costs for labour, land, and capital, but there's just one thing different about agriculture: if agriculture fails, people starve. It is a simple, brutal fact that's been proven time and time again throughout the history of the world.

4:10

Countries and provinces that are not self-sufficient in food production will not be able to receive food in trade if it's scarce globally. You cannot eat bonds, stocks, or equities, nor can you drink a nice tall glass of oil. Furthermore, no amount of money or other commodities will suffice in trade when food becomes scarce throughout the globe. It has happened in the living memory of many Albertans, when many were forced to revert to the hunter/gatherer lifestyle in the 1930s. Many people went to bed hungry in those years, and I hope that we are not so arrogant to think that it could not happen again.

My point is that it is wise to have a little bit more food than we need and to be able to produce that food within our own borders. Our economic prosperity may one day depend on it. This is why our attention should be focused on ways to increase the value of our agriculture products. By increasing the profit potential in the industry, we foster and maintain a diverse and healthy food industry, which is of great benefit for each of us as well as our future generations.

The investment need not necessarily come directly from government, which is an important aspect of Motion 502. Flow-through shares are an instrument that will provide capital for growth without government subsidies. Well-developed markets including processing, shipping, and retailing for Alberta agriculture goods all over the world are the ultimate goal. To be able to produce the highest quality food in the world and to process, package, and send it off to the retail market creates real jobs for Albertans.

Adding value to our resources is not a new idea. Other industries have provided many jobs to Albertans by processing our raw materials. A healthy economy must be diverse and add as much value as possible to the raw materials. I'm not against selling a boatload of Alberta grain to whoever wants to pay for it, but I think it would do us a lot better selling bread and pasta that sells for much more than \$145 per tonne, which is the current price of wheat.

Tax incentives to promote diversity and prosperity in our ag industry are necessary for growth. Competitiveness in the raw

commodities market is a futile game of keeping up with the multi-billion dollar subsidy programs of the Europeans. We need a real incentive for businesses to tear down the processing plants in other countries and to build them here. It is not enough just to keep up with the world economy. Alberta should be leading it, especially in the sector upon which our province was founded.

It is intended that the flow-through shares will attract much-needed investment dollars and offer investors tax incentive opportunities, assist with the construction of agriculture value-added processing plants, and increase the number of jobs within agriculture. Motion 502 will explore ways that we as government may accomplish just that. The purpose of this motion is to improve access to venture capital. I believe that it is time for us to take the lead and provide support to this very important sector of our economy.

Mr. Speaker, a flow-through share incentive is a sound, proven idea. It is a viable option, and I ask all members of this Assembly to support Motion 502 to explore that option.

Thank you.

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

MS BLAKEMAN: Thanks very much for this opportunity to speak to Motion 502, which is:

Be it resolved that the Legislative Assembly urge the government to explore the possibility of increasing investment dollars in agriculture and the agricultural industry through the use of a tax vehicle in the form of flow-through shares.

This is a really interesting idea and is following through on some of the government incentives and plans that I have seen in some of the other sectors. There's a real encouragement for the sector to find dollars from other places aside from government dollars. Certainly I saw that happen in the nonprofit sector, which is the one I come from. There was great encouragement to raise more dollars through fund-raising and other activities: open gift shops, have tea parlours, and all those kinds of things to raise additional dollars, usually through commercial ventures, which is essentially what's happening here.

Part of what intrigues me the most about this is the potential for additional support into the value-added sector, which is a sector I've been really impressed with. I'm not fooling anybody here. I'm not a kid from the farm. I'm from the city.

AN HON. MEMBER: But you snowmobile.

MS BLAKEMAN: I snowmobile, yeah. Well, that doesn't qualify me as a farm kid.

I remember being struck on a couple of occasions by the amount of work that's been done in Alberta on value added, and there's certainly been support coming through Innovation and Science and through the Ministry of Agriculture on that. In one of the airports – I think it might be Calgary – there was an incredible display of the number of value-added products that were coming out of Alberta. It was quite extensive. I think this thing went on for a good long hallway, and there were all kinds of things in there, not just food but products beyond that. It really impressed me, particularly as a city kid, of what the potential was in the agricultural sector in Alberta to move beyond what we've always accepted as agricultural produce. I think that if we are going to be competitive and move forward with this, exploration into these new kinds of ideas is the way to go, and certainly any financing or ways of promoting additional research and development in this area is, I think, probably quite worth while to follow up on.

The other time I can remember – I think this was in either a budget debate or in Public Accounts – when the minister outlined the number of things that were being done with canola and canola oil, the list was quite astounding as to what all was being done with it now, even being used as machinery lubricating oil or something overseas. I thought: well, good on us for finding other ways to truly be value added, to make our resources go a bit further and be more attractive to others and find themselves another market. Truly, if we can find 500 different markets for canola, we're going to be well on our way here in Alberta to diversifying our economy, which is a goal that all of us share.

Now, I had not been familiar with the concept of flow-through shares when I first read this motion, so I had to do some reading on it, and I think I've got most of it. Part of the need for this is that venture capital is difficult to get, and certainly the member proposing this motion, the Member for Wainwright, had outlined in some detail how difficult it was to get that additional venture capital into this area. So, in that, this idea of flow-through shares is worth consideration. It is giving small companies an opportunity to raise capital that they may well not be able to qualify for or be able to raise from other sources.

It is pointed out to be a high-risk venture for investors. The investors do take all of the risk, and nothing is guaranteed. They also have to hang in there with it, because they may not get an immediate return on their investment. So I'm wondering what sort of research has been done by the member to establish what the investor pool is out there that would be interested in this kind of high-risk, very long-term investment. To my knowledge that isn't what you usually find in an investor. They're looking for a lower risk with more of a guaranteed return, and they want it quickly.

4:20

So what is the investor pool? Who's out there that's interested in this? Are they individuals? Are they corporations? Are they Albertans even? Where is the member expecting these investors to come from? Are they international investors? Are they Canadian investors? Where is he looking for this to come from? Eventually, if I understand this, the investor does end up with some equity in the venture, and I'm always a little concerned about having large amounts of foreign ownership of our farmland. Maybe the member himself or someone else can answer that question for me if we have time.

One of the other issues that came up as I did my reading on this is the point, well made I think, that farmers are pretty independent-minded folk. They'd have to be to get into the kind of venture that they get into, working so many hours often alone and taking on that risk basically by themselves or with their family to support them. This kind of venture does give someone else control over what they are trying to do. How well are farmers going to take to this? I'm wondering who the member was consulting with or who were the driving forces behind him bringing forward this motion. I was listening to the member, but I didn't hear things like UFA or other farmers' groups who were somehow behind this venture, pushing for this. I'm wondering if the farmers would even be willing to accept this kind of venture.

So that's the two sides of this. One, are the farmers going to go for it, and two, who are these investors? Who are they expected to be? Are they out there? Do we know that they're out there and they would even take it? I think the possibility for not necessarily abuse of this system but an unexpected outcome of this system is certainly there if we don't know already that that investor pool is there and it's who we want them to be and that there is acceptance of the scheme by the very people that are seeking the funds; that is, the farmers and

the family-farm business. Truly, without those two groups working together on this one, we may well have put a mechanism in place, a process in place that's not wanted to be used by either of those groups, therefore open to abuse by others yet to be named. So I'm just looking to get the confirmation on what kind of research has been done behind this.

I understand that the government would likely be much in favour of this because it is a way of increasing venture capital for the farm industry without the government having to put any money up. I think there's a much longer conversation that we can all have about government subsidy and support of farmers and where that's going in the context of free trade agreements, NAFTA and now this larger free trade agreement, plus things ever looming on the horizon like the MAI.

I read an article recently about the whole idea of farm subsidies and government supported farms, a very interesting one saying, "Keep that kind of subsidy program we've now got in place," and the other side saying, "Dump it," and looking at different countries where those two systems are in place and seemingly working well in both cases. So there's a larger discussion underneath this idea of assistance to farmers that we have not ever really had in Alberta.

As we move increasingly from a rural-based population and economy to an urban-based population and economy, we continue to uphold all of those institutions that were put in place in support of a rural status. We haven't really revisited that and carried on that discussion, so I do find points still where there's an inequity between what kind of support and possibilities and opportunities are there for farmers and the rural way of life versus what's happening in the cities. But that's another discussion for another time.

The government does have to be involved with this or it does have to involve the feds, I think, in order to put the tax credit or the tax receipt in place to allow the first part of this scheme to work. My understanding of it is that an investor receives a tax write-off for a certain percentage based on whatever percentage has been established. Now, is that to be done through the federal government, and is the member aware of any negotiations or any movement on behalf of Revenue Canada being open to that or the federal government making a move to open up that legislation to include this kind of thing? Are we just kind of running this idea up the flagpole to see if it flies? Has that kind of investigation and research taken place?

If it's also to be coming from this provincial government, what sort of discussions have taken place with the Minister of Revenue and I suppose the minister of expenses? Essentially a tax receipt is forgone revenue, so what kinds of negotiations and discussions have taken place there? What kind of effect does this have on our Alberta bottom line if we are forgoing revenue as a result of this tax scheme being put in place?

One of the other things I looked at is: how is this process, this scheme looked at in the investing world? There was kind of a split decision there. Some people that were writing and talking about this scheme – I'm not saying "scheme" in any negative sense here; I just don't know how else to describe it – or this setup that's being proposed often seemed to be people who were in fact seeking this kind of a scheme to be set up – and it's already up and running in the oil sector, and it does mention the film sector as well. That's not in fact happening here in Alberta. I have checked with some of my contacts in the film industry, and while they have discussed this, they have not made any moves beyond that discussion stage that I'm aware of.

The investment community seems to be of two minds on whether this works or not. They tend to keep pointing out that it's a poor investment, and they don't tend to recommend it to their investors because it is risky, as they say, and often has a low return. So I

guess that's a subsection of my concerns and comments around who that pool of investors is. These are the people who are advising those investors, and they don't seem to be entirely confident or promoting this particular way of doing things.

This investment sector – and I'm looking at those newsletters that all the banks and everybody puts out – keeps saying that the risk is totally on the shoulders of the investor, that historically flow-through shares have been bad and have not paid well for the investor, especially in the small resource-based companies. It's noted that governments like to encourage these flow-through shares, but the investment community seems to come out quite strongly saying, "Yeah, but the risk is totally on the investor," and they're not that keen to get people involved in this.

So I'm sure we'd be looking for . . .

THE SPEAKER: Excuse me. I hesitate to interrupt the hon. Member for Edmonton-Centre, but the time allocation for this part of the Routine today has now expired.

4:30

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 30: Mr. Jacobs]

THE SPEAKER: The hon. Member for Grande Prairie-Wapiti.

MR. GRAYDON: Well, thank you, Mr. Speaker. It's my pleasure to rise in the Assembly today and deliver my maiden speech in reply to the Speech from the Throne. Now, some may think that after 17 years of elected service to the city of Grande Prairie this occasion today might not be that significant. Let me assure you and other members of the Assembly here today that it is a significant day for me, for my family, and for the constituents of Grande Prairie-Wapiti.

While I have served these many years as an elected official, my constituency has changed considerably. Where previously I represented 36,000 residents of the city, I now represent about the same number, but they are split roughly in half, with half coming from the city, the other half coming from hamlets, towns, villages, the county of Grande Prairie, and the MD of Greenview.

I want to thank all those who supported and worked for me but especially those workers and voters from outside the city who took a leap of faith to support and trust a city mayor to bring their rural and small urban concerns to this provincial House. I appreciate their support and pledge to them that I will bring balanced representation to this Assembly and this government.

In my first few weeks I'm already seeing the new range of issues that I'm expected to help with, issues ranging from grizzly bears near a rural school to the construction of indoor soccer pitches at the Community Knowledge Campus in south Grande Prairie, a project that will feature two high schools, twin ice arenas, twin soccer pitches, and more, a co-operative effort of a public school board, a Catholic school board, and the city of Grande Prairie, a project that by working together will save the partners over \$1 million per year in operating costs.

Now, of course, Mr. Speaker, a guy could go on and on about the

qualities of the constituency that I've been elected to represent, but I think it's already a well-known fact that we have a robust, broad-based economy that contributes a great deal to Alberta's wealth and the Alberta advantage as well as a constituency that maintains a quality of life envied by many.

While thanking people, it would be remiss of me not to thank my wife, Anne, and our family of four children and five grandchildren for their support and understanding in the past and the present as I head off to Edmonton every week and they're left to keep the home fires burning. As well, Mr. Speaker, I acknowledge the encouragement and guidance of my father, the late John Graydon, a veteran of the Second World War and a farmer from Lacombe, Alberta.

Mr. Speaker, I bring to this Assembly a reputation of one who makes short speeches, and I don't want to blow that reputation on my first opportunity to speak in the House today, but I do reserve the right to go on and on at some other occasion.

Let me wrap up by saying how much I've appreciated the warm welcome and help that I've received from all members, both returning and new, on both sides of the House as well as you, Mr. Speaker, and the staff here at the Legislature. You've made these first few weeks comfortable, a great learning experience, with so much more to look forward to. There's a quote that goes something like this: it's the set of the sails and not the gales that determine where we go. Well, obviously there are many gales here in this Assembly and in our province, but the throne speech laid out the set of the sails, and I have tremendous confidence and pride in the direction we are headed under the guidance of our Premier and my colleagues. Our province has a proud history and a very exciting future. I look forward with personal pride and anticipation to my role in this exciting future.

Thank you, Mr. Speaker.

THE SPEAKER: Did the hon. Member for Grande Prairie-Wapiti desire to adjourn the debate?

MR. GRAYDON: Yes, Mr. Speaker. I would move to adjourn the debate.

[Motion to adjourn debate carried]

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

Bill 3

Fisheries (Alberta) Amendment Act, 2001

THE SPEAKER: The hon. Minister of Sustainable Resource Development.

MR. CARDINAL: Thank you, Mr. Speaker. I move third reading of Bill 3.

MS BLAKEMAN: This has been an interesting bill, and in third reading I just want to speak briefly to the effect of the bill. We here in the Liberal opposition have supported this bill at all stages, I think mostly because, certainly from my point of view, it gives us processes to be protecting water habitat and particularly water inhabitants, which would be fish, in Alberta. We seem to have in some cases lost control to limit the amount of fishing or the kind of fishing in a number of our lakes and streams.

This is essentially a housekeeping bill, a catch-up bill. Since I have stood in this House previously and complained that we're not doing enough in Alberta to update our statutes and bring them into the modern age, which would be 2001 now, I was pleased to see

what this bill is attempting to do. Having spoken to this in second reading, I did say that I hadn't been able to consult with some of the people that I'm familiar with who are very concerned about what's happening in our waterways here in Alberta and especially around the fish stock. I have since been able to do that and got very positive feedback on what this bill is proposing to do.

It kind of surprised me actually. I was expecting more people to be up in arms about it, but no, it's pretty clear, even from the fishing groups that are out there. There's this walleye group that has written in to us about that, and I was also in touch with some folks I think from the trout fishing club – I'm sorry; I just can't remember the names off the top of my head – who all felt very strongly.

Actually, one group in particular felt pretty strongly that there should be no fishing derbies allowed whatsoever. They felt that what was happening with the fishing derbies in Alberta at this point was really causing problems in some of the lakes, because these fishing derbies are like golf tournaments. There are prizes for absolutely everything, so people are dragging fish out that they should not have in fact taken out of the water – they should have done a catch and release on them – to get one of these fabulous prizes. I think some of them are even doing, you know, the smallest fish, which is a particularly dumb thing to do in Alberta. Anyway, this group that I was talking to really had wanted no fishing derbies allowed at all because of what it does when hundreds of people descend on a lake and tromp around and run their boats around in the water and pull out all kinds of fish and then pack up, pull up stakes, and are gone.

So, as I say, I did my consultation. I did follow through, as I said I would, and I have to say that I'm supportive of the bill. I would like to see it go further, and I'm hoping that the minister is looking at further processes to put in place to control how people are fishing and to control our fish stock in Alberta more.

4:40

There is some talk of certain species of fish no longer being stocked by the government, which I think is a great concern to the fishing community. We've got to be able to manage better what we already have. Anything that's in place that allows us to manage what we already have – and that's what I'm assuming is going to be happening with this, particularly under the fishing derby part, where there has to be licences. I'm presuming that the minister foresees being able to not issue a licence for a derby if it was being held on a lake that would be deemed to be dangerous to the fish stock. If I can get him on record saying that, I'll be a happy woman.

That's really the only issue that I wanted to raise during third reading, and I'm pleased to have had the opportunity to be able to speak. Thank you.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I will be brief in my remarks about Bill 3, but I first would like to express my gratitude to the minister for providing answers to the questions I had at second reading debate. I really appreciate his diligence and the diligence of his department in providing these answers. I am pleased to see that he's not scaling back in his efforts in regards to the Fisheries (Alberta) Act. I'm glad to see that there are penalties or jail or that there can be a combination of both if there are to be violations.

I would like to note for the record that I do have some concerns about the consultations with the sportfishing guides here, Mr. Speaker. As I understand it, there has been no decision as to whether or not the Alberta Professional Outfitters Society will be

involved in the administration of the sportfishing guide industry. I understand there's going to be a consultation process with the guides about the administration of their industry before any regulations are put in place. I know there have been complaints. There certainly have been complaints to the constituency office in Edmonton-Gold Bar from professional outfitters that they have felt that the government has moved and has not consulted them. So with that, I would caution the minister about that.

Again, I would like to express my gratitude. It certainly made my job much easier through his co-operation and the speed with which he and his department officials answered my questions at second reading.

Thank you, Mr. Speaker.

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

DR. TAFT: Thank you, Mr. Speaker. The effect of this bill, I expect, will be favourable if it's implemented, although I expressed concern earlier that it is not strong enough or doesn't take on enough of the issues that are putting our fish population at risk.

The quality of water is certainly a concern. In looking through some information on Alberta's wildlife, 50 percent of amphibians are threatened or endangered in Alberta and a quarter of the fish species are at risk. This suggests, of course, ongoing concern with the quality of our aquatic environment in Alberta, and I'm concerned that Bill 3 does not go nearly far enough. A number of organizations certainly do identify overfishing as a concern and one of the causes for Alberta's declining fish stocks, but with a quarter of the fish species at risk, I think we need to be looking at a number of causes.

Bull trout, walleye, pike, and perch are all subject to being depleted by overfishing, but they are also subject to other reasons for their decline, whether that decline is deterioration of water quality, pollution, overdevelopment, disruption of water flows and aquifers, and so on. This is affecting not only sport fishermen but the commercial fishery in Alberta. Alberta Environment's own figures suggest that in 1987 there were 3,000 tonnes of fish taken commercially out of Alberta waters. By 1993 that had declined to below 2,000 tonnes, and now we're seeing in the last couple of years, after a brief recovery through the mid-90s, a rather precipitous drop in the take from the commercial fishery in Alberta. It gets me to thinking that we may be facing the same kind of environmental collapse in the fishery in Alberta that we have watched unfold so tragically in Newfoundland with the cod fisheries.

The cod fisheries were thought to be virtually inexhaustible in Newfoundland, supported hundreds of thousands of Newfoundlanders over many centuries, and then with the advent of new fishing techniques in the last 20 years and with deterioration of environmental conditions, the cod fishery has collapsed. Even with the suspension of commercial fisheries, the virtually complete suspension of commercial fishing in Newfoundland, the cod population has not recovered.

Well, if we look at that example and wonder what's going to happen in Alberta, I'm worried that the same trend is occurring, that in fact we've seen a dramatic decline in the commercial fish stocks in Alberta and sportfishery success in Alberta. There have been steps taken to restock lakes, to increase the catch-and-release programs, to limit takes on fish, yet we're not seeing the fish populations recover at all, and that's very worrisome to me.

I think we need to reduce human impacts and protect the habitat for fish and indeed for all the vulnerable species. This is not just a matter of sentimentality, if you can be sentimental about fish. It's also a matter of economic prosperity for the province, and the annual losses in the commercial fishery incurred since 1987 in Alberta

measure in the many millions of dollars. In fact, they decline virtually every year, and again going from Alberta Environment figures, I believe the value of the commercial fishery in Alberta has almost collapsed. It's gone from an index level of 100 in 1990 down to about 40. It's at about 40 percent of its value, and a large portion of that drop has occurred just in the last two or three years, where we've seen the value of the commercial fishery in Alberta decline by half in about three years, which tells me the fish population is just disappearing. The same kind of trend is clear in sportfishing, where we can see the value of sportfishery also following virtually an identical trend to the commercial fishery.

It's very interesting to note that going in the opposite direction, if you plot economic growth, the faster and the further the economy climbs in Alberta, the more rapidly the fishery collapses. It makes one wonder if there is a correlation here. As we open up our wilderness and our northern waters, our northern rivers and lakes, to industrial development, as we see cities expanding, as we see oil and gas wells being drilled in areas that have never been touched before, we are at the same time seeing the collapse of the natural environment and with that the fish stocks of the province.

With Bill 3 it's a step. It's heading in the right direction, but I think we will find that is woefully inadequate and that Alberta's fish stocks will be as low five years from now as they are today and that we will be looking at much more drastic actions or simply not only at abandoning the commercial fishery in Alberta but virtually abandoning the whole tradition of sport and recreational fishing, which would be a great tragedy for this province.

Mr. Speaker, with those comments I'll take my seat. Thank you.

THE SPEAKER: The hon. Minister of Sustainable Resource Development to close the debate.

MR. CARDINAL: Thank you very much, Mr. Speaker. I only have a few comments to make. First of all, I'd like to thank the opposition for the comments and recommendations they've made and the support they've given throughout the debate on the particular bill.

4:50

I agree; this bill is a good bill. It's a step in the right direction. It's targeted certain areas, but in order to address some of the concern the opposition here and the public out there mentioned in relation to the whole commercial and sportfishing industry in Alberta, I intend to as soon as possible come forward with a plan to look at further rationalization of the whole fishing industry in Alberta. I think it's time that it's done. I will of course have to take that process through our own approval structure. I also will commit that I will be consulting with the opposition members to seek their support and help and guidance as we move forward with that industry, because the benefit is for all Albertans.

With that, Mr. Speaker, I'd just like to say thank you.

[Motion carried; Bill 3 read a third time]

Bill 4 Surface Rights Amendment Act, 2001

MR. CARDINAL: Mr. Speaker, I'd like to move third reading of Bill 4.

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

MR. MacDONALD: Thank you, Mr. Speaker. At this time on third reading of Bill 4, Surface Rights Amendment Act, I would like to say for the record that I think certainly this is an improvement in

compensation claims, from \$5,000 to \$25,000. This may even be too low. I'm not convinced that it isn't, but it certainly is a step in the right direction.

However, when you see the increase – this maximum level of appeals for surface rights compensation claims to be considered by the Surface Rights Board can be in that range of \$5,000 to \$25,000 – it is unfortunate that due to the nature of the board's mandate, there's no impact on the environment by the operations of the board. All environmental issues before the board are dealt with by other agencies.

When you look at surface rights, there are many ways that landowners could be affected. There is generally no difference, in my view, between surface rights and environmental rights. For instance, let's take the case of a battery. Let's use for example, Mr. Speaker, a battery that is located on a quarter section of land where a rancher or a farmer has a herd of cattle grazing.

That battery produces many things. We can only naturally assume that battery is going to have a flare. It will have a flare, and regardless of whether that flare is burning, there's going to be gas at the flare tip. That gas will be emitted into the atmosphere, and some of the particulates in that unflared gas will land on that surrounding land, and where does the owner of that land go? There are many, many cases where the farmers' cattle have been affected by industrial activities like batteries.

Now, this surface rights amendment I don't believe goes far enough. There is an increased suspicion, particularly since deregulation has become fashionable with this government, that there has been an unacceptable decline in the relationship between landowners and petroleum companies.

Now, the activities around that battery can certainly affect the livestock, but the rancher or the farmer does not have the ability in this legislation to have his or her concerns addressed. This is something that I think we need to take a look at in this Assembly. The effect of this, of course, is not only on the cattle, but it's on the land. I believe it's residual. By that I mean it remains behind for long periods of time. Benzene is one chemical that's not suitable for man nor beast as it comes off the flare tip.

The whole idea of surface rights I think has to be discussed. We can look at landowners in Sherwood Park and how they feel, in Fort Saskatchewan, any area. Certainly north of Calgary there are some producing wells, some sour gas wells. How do the citizens feel about that in close proximity? Would \$25,000 be enough to meet their needs? I don't think so. That's why I would caution the Assembly that perhaps \$25,000 is not suitable.

Now, I'm sure the hon. minister has consulted extensively with the stakeholders regarding this issue, and whether the target of \$25,000 was a mutually agreed-upon figure, I don't know, but the stakeholders that have been consulted by this side of the House, by the researchers, the ones that they talked to had no idea that this bill was even coming forward.

So when you look at the changes that this could have on the cattle industry, the changes that it could have on soil conditions in the immediate proximity to a battery or a pumping station, a gas plant even, a petrochemical plant but also the changes that this has as the urban areas grow bigger and bigger and get closer and closer to existing developments in the oil and gas industry, I'm sure that in the future – it won't be 20 years or 17 years – hon. members of this Assembly will be debating this very issue and the whole idea of what is adequate about that range between \$5,000 and \$25,000.

With those comments at third reading, Mr. Speaker, I shall cede the floor to another hon. colleague of this Assembly. Thank you.

THE SPEAKER: The hon. Minister of Sustainable Resource Development to close the debate.

MR. CARDINAL: Thank you very much, Mr. Speaker. I'd like to thank the opposition for their comments and for some of their recommendations and some of their concerns they have brought forward in relation to this bill. I believe that again this bill is targeted on a certain area, but I believe it is in the right direction.

You can be assured this ministry will continue monitoring the situation. I believe there was some mention in relation to the increase in the dollars that that may not be enough. We will monitor it further, and if further adjustments are required in the future, then we'll come back and go through the process with the adjustments that are required.

Again, Mr. Speaker, I'd like to thank the opposition and thank the House for listening to this process. Thank you.

[Motion carried; Bill 4 read a third time]

THE SPEAKER: The hon. Deputy Government House Leader.

MR. STEVENS: Thank you, Mr. Speaker. Given the good progress we've made this afternoon, I move that we call it 5:30 and that when we reconvene this evening, we do so in Committee of Supply.

THE SPEAKER: Would all hon. members in favour of the motion put forward by the hon. Deputy Government House Leader please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed? Please say no. Carried.

[Pursuant to Standing Order 4 the Assembly adjourned at 5 p.m.]