

## Legislative Assembly of Alberta

Title: **Tuesday, May 15, 2001**

**1:30 p.m.**

Date: 01/05/15

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

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

Please be seated.

head: **Introduction of Visitors**

THE SPEAKER: The hon. Minister of Government Services.

MR. COUTTS: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to members of the Assembly Representative Max Black of the Idaho House of Representatives and president of the Pacific Northwest Economic Region, of which Alberta is a member. Accompanying him here today are Representative Jeff Morris of the Washington state House of Representatives, the vice-president of PNWER, and Mr. Matt Morrison, executive director of PNWER. They are seated in your gallery.

They have come to Edmonton today to meet with Alberta's PNWER representatives and discuss the upcoming Pacific Northwest Economic Region meeting to be held in Whistler, British Columbia, this coming July. This will be a joint meeting with the Council of State Governments – West, which Alberta joined last year. PNWER's commitment to promote regional collaboration and to remove trade and transportation barriers provides Alberta with a valuable forum for strengthening our transboundary relations. I would ask that our honoured guests please rise and receive the traditional warm welcome of this Assembly.

MR. SHARIFF: Mr. Speaker, I'm pleased to introduce to you and through you to members of this Assembly Mr. Stanley Soko, director general of the province of Mpumalanga, South Africa. I would like to welcome Mr. Soko and his colleagues: Mr. Dube, head of the Mpumalanga finance department; Mr. Tshoba, chief director of macropolicy in the office of the Premier; and Mr. Ben Nkambule, director of intergovernmental relations and chief of protocol. Our friends from our sister province in South Africa are visiting Alberta on their first official visit under phase 2 of the CIDA-funded South Africa/Canada provincial twinning program. This project encourages the development of democratic governmental institutions in South Africa, and Alberta is working with Mpumalanga to build capacity in the areas of business planning, financial management, and performance management. Mr. Speaker, I would now ask our honoured guests, who are seated in your gallery, to please rise and receive the traditional warm welcome of this Assembly.

head: **Notices of Motions**

THE SPEAKER: The Deputy Government House Leader.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise pursuant to Standing Order 34(2)(a) to give notice that tomorrow I will move that written questions appearing on the Order Paper do stand and retain their places with the exception of Written Question 3.

I'm also giving notice that tomorrow I will move that motions for

returns appearing on that day's Order Paper do stand and retain their places.

Thank you.

head: **Tabling Returns and Reports**

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

MR. HORNER: Thank you, Mr. Speaker. I have one tabling today. It's a letter from Ms Jeanette Smith, board chair of the Parkland school division. The school board has concerns regarding some sections of the School Amendment Act.

Thank you.

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. I'd like to table the appropriate number of copies, being five, of a letter from the board of trustees of Sturgeon school division No. 24 opposed to some of the provisions of Bill 16.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I would like to table five copies of a booklet written by Miranda Ringma commemorating the efforts of the Edmonton December 6<sup>th</sup> committee in commissioning and erecting a statue on the 10th anniversary of the Montreal massacre.

Thank you.

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

DR. TAFT: Thank you, Mr. Speaker. I'm tabling today five copies of a letter from the Sherwood school Parents Advisory Council in Edmonton to Premier Klein outlining their concerns for education in the areas of infrastructure, resources, and parent fund-raising.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I would like to table for the benefit of all Members of the Legislative Assembly copies of Alberta's market surveillance administrator's 2000 annual report to the Alberta Minister of Energy. This was submitted by the Power Pool Council.

Thank you.

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

DR. PANNU: Thank you, Mr. Speaker. Two tablings today. The first one is a letter from Mr. Ray Welsh of Vegreville in which he expresses deep concern about the government's indifference towards public education and hostility towards teachers.

The second tabling, Mr. Speaker, summarizes the findings of a Canadian Teachers' Federation survey taken recently which indicates that teachers on the average in Canada contribute out of pocket close to \$600 per teacher because of underfunding of education across Canada.

Thank you, Mr. Speaker.

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

MR. MASON: Thank you very much, Mr. Speaker. I'm tabling a

letter from Mr. Malcolm McIlroy of Red Deer addressed to the Premier expressing his opposition to Bill 205, the Municipal Government (Farming Practices Protection) Amendment Act. He has two serious concerns, that it is intended to benefit a small number of Lacombe-Stettler constituents rather than all Albertans and that Alberta Agriculture, being the promoter of the bill, is in a conflict of interest situation and cannot be relied upon to provide accurate and unbiased information.

#### head: **Introduction of Guests**

THE SPEAKER: The hon. the Premier.

MR. KLEIN: Thank you, Mr. Speaker. I'm pleased to introduce to you and through you to Members of the Legislative Assembly two gentlemen who are seated in the members' gallery and who are very involved in promoting the aviation industry in the capital region and indeed throughout the province. Visiting the Assembly today are Scott Clements, CEO and president of the Edmonton Regional Airports Authority, and John Craig, who is the director of real estate services with the airports. Scott and John are seated in the members' gallery, and I would ask all members to offer them the traditional warm welcome of this Legislature.

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

REV. ABBOTT: Thank you, Mr. Speaker. It is my great pleasure and my honour, as this is the first school from my riding to visit during question period, to introduce to you and through you to all the members of this Assembly 29 students from Thorsby high school. They are in the grade 10 class, and they are chaperoned by one teacher, Mr. Al Bratland. Al has assured me that even though his last name is Bratland, the environment in which he teaches is nothing of the sort. I would ask if the students would please rise and receive the traditional warm welcome of the House.

THE SPEAKER: The hon. Member for Leduc.

MR. KLAPSTEIN: Thank you, Mr. Speaker. I'm delighted to introduce to you and through you to all members of the Assembly 17 guests from the Devon Christian school. They are 15 students from grades 4 to 9, accompanied by teachers and group leaders Mrs. Margaret Sloan and Mr. Brian Wallace. I would ask them to rise and extend to them the warm welcome of the Assembly.

#### head: **Oral Question Period**

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

##### 1:40 **Conflict of Interest Court Case**

DR. NICOL: Thank you, Mr. Speaker. Yesterday in the scrum the Premier asked for reasons to call for a public inquiry into the Jaber affair. My questions are to the Premier. According to the court documents, Mr. Jaber was also involved in the relocation of a liquor store to Westmount Village mall in 1991. Why not call a public inquiry to answer the question of what Mr. Jaber's involvement was in this move?

MR. KLEIN: Mr. Speaker, I'll repeat what I've been saying all along. If there are specific allegations related to this or any other incident involving this particular gentleman, then I would ask the hon. leader of the Liberal opposition to bring those matters, those

allegations to the attention of the Justice minister and Attorney General, and I'm sure that he will take whatever action he deems necessary to have these matters fully investigated.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Why not call a public inquiry to answer the question of whether or not Mr. Jaber was involved in any other government deals?

MR. KLEIN: Mr. Speaker, again this is a fishing trip, nothing more than the opposition asking for this government to go on a fishing trip. If there are any specific allegations and any evidence of any wrongdoing, then bring the evidence forward, and it will be dealt with.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Why not call a public inquiry to give an answer to what other activities Mr. Jaber was involved in that would lead Mr. Naqvi to believe that Mr. Jaber could help him?

MR. KLEIN: Mr. Speaker, the question is the same.

MS CARLSON: No, it isn't.

MR. KLEIN: Well, it's almost the same. I just heard from across the way that it isn't the same question. I believe it is the same question. Notwithstanding what the question is, the answer is the same. If there are specific allegations or evidence of any wrongdoing, bring it to the proper authorities, and it will be investigated.

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

DR. NICOL: Thank you, Mr. Speaker. Mr. Premier, why not call an inquiry to give an answer as to whether or not any other government officials have been approached on this issue?

MR. KLEIN: Mr. Speaker, the answer is the same. If there are allegations that are specific or evidence that is specific to any incidents or any suspicion of wrongdoing, bring the information to the proper authority, in this case the Justice minister and Attorney General, and I'm sure he'll take whatever action is deemed to be appropriate.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Mr. Premier, why not call a public inquiry to allow Albertans to hear from Mr. Jaber himself?

MR. KLEIN: Well, Mr. Speaker, there was one incident in which Mr. Jaber indeed was heard. Well, maybe two incidents. One was the preliminary hearing, and I don't know the facts of the preliminary hearing, whether he was called to give evidence or not, but certainly he signed an agreed statement of facts relative to the trial. That was all made public. Relative to that incident, as I've said earlier, this case proves that the system does indeed work. A complaint was investigated, charges were laid, a conviction obtained, punishment rendered, and it was all done in public. All the documentation associated with the trial and the conviction, all of that information is public information. It was done in an open courtroom.

You know, Mr. Speaker, people can raise questions all they want, but the fact is that all aspects of this case have been investigated by the police and charges have been laid where warranted. The proceedings of the case are available for public scrutiny, so there has been nothing concealed in this matter. It is all there for the public to see.

DR. NICOL: Mr. Premier, the issues that I've just raised, are these not more than enough so that a public inquiry can be provided so Albertans can understand what happened?

MR. KLEIN: Mr. Speaker, sir, again if the hon. member has specific allegations, if he has anything specific, any allegations or any evidence of wrongdoing, please, please, I beg of him to bring these matters to the proper authority, in this case the Justice minister and Attorney General, and they will be properly investigated.

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

### **Premier's Flight to Prince Rupert**

DR. TAFT: Thank you, Mr. Speaker. Last July there was a public outcry over Edmonton city councillors accepting a flight to Calgary on ATCO's corporate jet for which they did not pay. The Premier was quoted in newspapers as disapproving of this, explaining:

You're in the area of optics. Often, I've been offered the opportunity to go golfing or to go fishing, but unless it's to my own lodge, it's dangerous to do those kind of things (for business purposes). For pleasure, it's doubly risky.

Last fall the Premier's office confirmed that the day before making these comments, the Premier returned from his private fishing lodge north of Prince Rupert on the Syncrude corporate jet. His office also indicated that the Premier paid for this flight. To the Premier: can the Premier tell Albertans how he made his arrangements to fly on the Syncrude jet?

MR. KLEIN: First of all, Mr. Speaker, I didn't make any arrangements to fly on the Syncrude jet. They were probably made through my executive assistant. Payment was made, and it was made quite appropriately to Syncrude. We have a policy that if we go on a private plane – and this wasn't even on private business. Well, yes, it was on private business; it was my private business. The lodge is a business, my private business. There are ways of dealing with this kind of business. I wasn't on government business. I was on my business.

If the hon. member wants to pay the price, he is welcome to come up to the lodge. It's about \$3,000 for three nights and about \$3,500 for four nights, exclusive of airfare. If he wants to add in the airfare, he's certainly welcome to do that, and I'll make the arrangements for him to come up.

DR. TAFT: I appreciate the Premier's generosity.

Did the Premier pay for this flight with personal funds or with government funds?

MR. KLEIN: Mr. Speaker, this was paid for with personal funds. Now, I am paid by the government; right? The party keeps a small account for me, as I'm sure they do for the Leader of the Official Opposition, if they have any money left. So, yes, it is my money. I have an interest in a business which is my business.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Will the Premier table the receipt for his payment, a canceled cheque or a credit card stub, in the Assembly before question period tomorrow?

### **Speaker's Ruling Allegations against a Member**

THE SPEAKER: If the hon. member has a charge or an allegation he chooses or wishes to make against another hon. member, he should make that charge in this Assembly, and this Assembly has procedures for dealing with that. But if it's going to be a suggestion that reeks of innuendo and a series of other things, well, I don't think that that's the purpose of this question period. I don't think that deals with the decorum of this Assembly, nor do I believe that it deals with the rules of this Assembly. If the hon. member – and I repeat – wishes to make a charge against another hon. member, make the charge.

The hon. Member for Edmonton-Highlands.

### **Conflict of Interest Court Case (continued)**

MR. MASON: Thank you very much, Mr. Speaker. Yesterday the Premier in comments in the House was heard asking why Mr. Naqvi, the briber, wasn't charged, and he later said in response to questions: I said that if you have a bribee, you must have a briber, so why weren't charges laid? My question is to the Premier. Is the Premier standing behind the implication he left yesterday in this House when he offhandedly accused a private citizen of bribery in a case in which he was never charged?

MR. KLEIN: First of all, Mr. Speaker, I didn't accuse anyone. I said that if there is a bribee, one has to assume there's a briber. You know, I'm wondering why no questions have been asked in this regard. Now, if the hon. member wants to ask the question in this regard, feel free.

1:50

MR. MASON: In a moment, Mr. Speaker.

Why did the Premier say that a deal had been made in exchange for not charging Mr. Naqvi when the preliminary hearing transcript clearly states that there was no deal?

MR. KLEIN: Mr. Speaker, perhaps "deal" was unfortunate. I've since consulted with the Attorney General. As I understand it, an arrangement was made.

MR. MASON: Enlightening, Mr. Speaker.

Given the Premier's eagerness to ask the questions rather than answer them, my question to the Premier is this: why wasn't Mr. Naqvi charged?

MR. KLEIN: Well, Mr. Speaker, I have no idea. You know, it was a gratuitous remark across the hall, not on the formal record in any way, shape, or form. I'm curious and I'm sure that members of the opposition are curious. All I'm saying is that if a bribee has been convicted of accepting a bribe, one has to assume that there is a briber. If there wasn't, well, I guess there wasn't.

### **Speaker's Ruling Oral Question Period Rules**

THE SPEAKER: Hon. members, *Beauchesne* 411 says:

Some further limitations seem to be generally understood. A question may not:

- (1) [seek] a solution of a legal question, such as the interpretation of a statute.

*Beauchesne* 410 clearly states that a question “should not seek a legal opinion or inquire as to what legal advice a Minister has received.”

The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Ellerslie.

### **Sex Offender Registry**

MRS. JABLONSKI: Thank you, Mr. Speaker. All Albertans are horrified and saddened by the recent tragic events in Lethbridge and other similar incidents that have occurred in the past. Children are Alberta's most precious resource, and we have to do everything we can to protect them. There is a point when we have to say: no more. One idea that has been proposed is a sex offender registry. My question is to the hon. Solicitor General. What steps are being taken to develop a provincial sex offender registry in Alberta?

THE SPEAKER: The hon. minister.

MRS. FORSYTH: Yes. Thank you, Mr. Speaker. First of all, on behalf of the government of Alberta I want to clearly state that this government is committed to protecting children and to keeping Alberta's communities a safe place to live and raise our families.

Mr. Speaker, today I have met with officials from my department to discuss the provincial sex offender registry. Since 1998 the Alberta government has lobbied the federal government to establish a national sex offender registry. Sex offenders move from place to place, and we believe a national tracking system would be the most effective. While that's our first preference, a provincial registry would go a long way towards helping track these predators.

Mr. Speaker, with that in mind, my department has already begun to move forward on a provincial registry. My department is in the process of setting up a working committee made up of representatives of the police service, Alberta Justice, and my department. I'll be reporting back to cabinet in two weeks. The Premier has already committed to raise the issue at the upcoming Western Premiers' Conference this month and at the annual Premiers' Conference later this summer.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. Again to the hon. Solicitor General: what are the benefits of a sex offender registry in the province of Alberta?

THE SPEAKER: The hon. minister. If it's not an opinion.

MRS. FORSYTH: Mr. Speaker, a registry will allow police services to track the movement of sex offenders in Alberta as they move from place to place and to warn communities that these people may pose a danger. It will add another mechanism to those already in place. For example, in Alberta the public is notified when an offender is released into the community if the chief of police or the head of the RCMP K Division feels the public is at risk of significant harm.

Mr. Speaker, Ontario has put in place legislation, and B.C. is in the process of establishing a similar system. By moving ahead with the registry in Alberta, I believe we will be putting additional pressure on the federal government to put in place a national registry. We want to send a clear message to sex offenders in Alberta: do not touch our children.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. Again to the Solicitor General: who would be able to access a sex offender registry?

THE SPEAKER: The hon. minister.

MRS. FORSYTH: Thank you, Mr. Speaker. The registry would primarily be another tool for police agencies. It will give police firsthand knowledge of the principal residence of a sex offender. The registry would not be intended for public use. In other words, if someone has suspicions about their next-door neighbour, they would not be able to contact the registry to find out about the person's criminal record. However, the intent is that organizations that involve children interacting with adults would be able to access the registry through the police.

### **Surplus Land Sale**

MS CARLSON: Mr. Speaker, we have another issue for this government that does not pass the smell test. The province deemed greenbelt land on 10th Avenue as surplus and conveniently forgot to follow due process in notifying the city that it was available for sale. This circumvented the only process local residents had to be notified that the province intended to sell land committed to agricultural and recreational use. My questions are to the Minister of Infrastructure. When I requested the information on this issue, why did the minister state in his reply of January 25, 2001, that the city had received proper notification of this current land sale?

MR. LUND: Mr. Speaker, as far as I recall in reading the briefing – of course, this was on January 25 – it's my understanding that the city was notified.

MS CARLSON: Not the case.

To the same minister: why did the province lift the restrictions on caveats on this land so that adjacent landowners would not have to be notified of impending sales?

MR. LUND: Well, Mr. Speaker, it is the common practice that we first notify the jurisdiction in which the land is situated, and then it is advertised. If they do not want the land or have no use for it, then in fact it is put on the market in a wide-open process through the real estate.

MS CARLSON: Not what happened in this case, Mr. Speaker.

What is the minister's justification for selling this piece of land in a sweetheart deal which included a record-breaking closing time, below market pricing, and lack of proper notification to the city and local residents?

MR. LUND: Well, Mr. Speaker, I don't believe that there was anything done that was not following procedure. Certainly the property, it is my understanding, was advertised for some length of time, and it is not common practice to notify everybody locally. There's certainly the opportunity for people to become aware of land that is for sale when it's listed with a real estate agency, and that, in my understanding, is what happened.

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

### **Canada/Alberta Farm Income Assistance Program**

MR. McFARLAND: Thank you, Mr. Speaker. With respect to the Canada/Alberta farm income assistance program, which has been

very well received by producers of agricultural products in Alberta, I have subsequently had a number of comments expressed to me about the misunderstanding or possible confusion on the application form. My questions today are to the Minister of Agriculture, Food and Rural Development. Madam Minister, could you please tell myself, the Assembly, and constituents why a simple photocopy process like was used last year in the permit books wasn't used in this particular program?

MRS. McCLELLAN: Mr. Speaker, there are a couple of reasons why the permit book wasn't used this year. The first one is that it probably would have delayed payment to the farmers. Secondly, the permit book information is often outdated. In fact, about 40 percent of the information that we got off the permit books for the first farm income assistance program was wrong. We think that the current permit book would be more accurate, thanks to the last program. However, it is still a factor. The other thing is that that permit book information is not broken down in many cases into quarters so that specific land can be identified. It doesn't always include the full 160 acres.

Mr. Speaker, it was our feeling that the important part of this program was the immediate need of farmers, the ability to get those cheques in farmers' hands as quickly as possible. We expect the first cheques to start flowing either late this week or the first of next week – my staff will hear that, I'm sure – and allow them to be processed as quickly as possible. So that is the reason: the permit book information was not accurate, we couldn't be assured that it was accurate, and we did not want to delay payments to farmers.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. Given that the landowner who rents on a crop-share or a cash-rent basis does have a financial interest in the land, I think we need an explanation why the guide itself specifically states that landlords who have no financial interest in the year 2000 crops are not eligible. Could you please respond?

2:00

MRS. McCLELLAN: Mr. Speaker, we made it very clear when we announced this program that this program and the intent of this program is to compensate the producer, not the landowner. The program defines the producer as the person who is responsible for the day-to-day management of the farm. This responsibility would include input costs and working the land. A landlord whose only interest in the crop is that of ownership of land is not affected by the changes of the price of commodities or input costs. So if these landlords are compensated by a set cash payment, they would not have, in our opinion, a further financial interest in the land in the way of input costs or working the land. Again, I will repeat that this program was clearly outlined, was clearly stated that it was intended to help the producer, the person who is working the land.

THE SPEAKER: The hon. member.

MR. McFARLAND: Thank you, Mr. Speaker. In the case where there's no written reference to government programs in a rental contract, who will resolve or decide the allocation of the funds on the per acre assistance basis to the renter or to the landlord?

MRS. McCLELLAN: Mr. Speaker, that could occur in a crop-share rental agreement. That is correct. Again, I'll repeat that the intent of this program is to provide assistance to the producer. We

encourage applicants on a crop-share basis to have a discussion with their landlord, if you wish, to negotiate a fair sharing. However, if the parties are unable to resolve their dispute, they can submit their information to the program administration and a review committee will make that decision for them.

### **Surplus Land Sale** (continued)

MS BLAKEMAN: Mr. Speaker, in March surplus land from the Solicitor General's college in southwest Edmonton was sold to a developer. Adjacent residents who expected it to remain a park are left wondering what happened. My first question is to the Solicitor General. What process did the Solicitor General's department follow to sell off the surplus land?

MRS. FORSYTH: Mr. Speaker, I'd like to pass that on to the minister responsible, the Minister of Infrastructure.

MR. LUND: Mr. Speaker, when a department has land that is excess to its needs, the Department of Infrastructure handles the sale of that property. The answer to this question would be very similar to the ones that we had just a moment ago. The due process is followed, and it's unfortunate if people thought that there was going to be a park there, because that was not the case.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you. To the Minister of Infrastructure: will the minister confirm that this 10-lot piece of land was offered to the developer for approximately \$58,000 in exchange for the developer building an adjacent road?

MR. LUND: Mr. Speaker, that is a very detailed question, and I don't have those numbers at my fingertips. I would urge the hon. member to put it on the Order Paper as a written question, which is the normal process for questions that are in that kind of detail.

MS BLAKEMAN: My final question to the Minister of Infrastructure: why are developers allowed to buy government-owned land at prices far below market value for residential lots?

MR. LUND: Mr. Speaker, that is not the case. If that member has information that this is happening, I would ask her to talk to our department, and if it's necessary, we will take the appropriate action. Clearly, under the act the land has to be sold at not less than market value, and it's put on the market as an upset price.

THE SPEAKER: The hon. Member for Calgary-Currie, followed by the hon. Member for Edmonton-Gold Bar.

### **Motor Vehicle Safety**

MR. LORD: Well, thank you, Mr. Speaker. I certainly appreciated the earlier comments about children being our most precious resource. Those comments are very appropriate because May 18 to May 24 is National Road Safety Week, and collisions are the leading cause of hospitalization for injuries and the leading cause of death and injury for children in this province and across Canada. In fact, it's been reported that the average 400 traffic fatalities, 20,000 injuries, and 70,000 property-damage collisions caused by traffic accidents in Alberta each year are estimated to cost Albertans directly and indirectly upwards of \$3.5 billion annually. It is said that if you have a dangerous road, you can either fix the road or build more hospitals. Thus my question to the hon. minister of

health: is there information available or collected by your department about the cost to society and to our health care system due to vehicle collisions and the resulting injuries and fatalities?

MR. MAR: Mr. Speaker, I can provide a partial answer to the question being asked by the hon. member. In 1996 an amendment was made to the Hospitals Act that allows the province to recover health care costs arising from the result of motor vehicle accidents. That recovery is done through an annual direct payment by insurers to the province, and the insurers in that industry find this to be a much simpler and less expensive way of dealing with it than through individual claims.

In 1997 the automobile insurers negotiated with Alberta Health, at that time, and agreed to pay Alberta Treasury some \$35 million for estimated health care costs, and this amount was based upon adjustments that were made annually. For the year 2000 the estimated costs are in the range of \$50 million.

The portion of the question that I cannot answer, Mr. Speaker, relates to the exact costs to the overall health system and society as a whole. It has been estimated by the Alberta Motor Association that the societal cost to Albertans is in the range of \$3.8 billion, but I cannot verify that myself.

THE SPEAKER: The hon. member.

MR. LORD: Thank you, Mr. Speaker. To the same minister: in light of the large number of injuries and costs to our health care system as a result of collisions, are there any preventative strategies that the province is involved in?

MR. MAR: Well, Mr. Speaker, we are involved in a number of strategies, and perhaps the Minister of Transportation may wish to supplement. The main strategy that the Department of Health and Wellness is involved in is the funding for the Alberta Centre for Injury Control & Research, which is funded by the Department of Health and Wellness and operated out of the University of Alberta. That centre works towards reducing injury rates in the province through initiatives that involve research, surveillance, evaluation, and information-sharing and education. Also, the province does provide funding for a program called the Alberta occupant restraint program, which tickets drivers for not having their children properly buckled up in vehicles. Drivers are given the option of paying a fine or attending an education program.

THE SPEAKER: The hon. member.

MR. LORD: Thank you, Mr. Speaker. My final question is to the Minister of Transportation. I'm wondering what initiatives your department is involved in to ensure that the very best road design standards and practices and the very best technology available are being used in Alberta.

THE SPEAKER: The hon. minister.

MR. STELMACH: Thank you, Mr. Speaker. According to the collision experts, 90 percent of accidents in the province are due to driver error. As a result, we are focusing on driver safety programs and some of the traffic safety initiative awareness programs and education programs.

With respect to leading-edge technology, the hon. member represents a constituency in Calgary, and I'm quite sure he drives up and down highway 2 on a regular basis. We have introduced in Alberta an intelligent transportation system. These are the signs

across the highway that will send messages in terms of conditions of the road, advising people as to some perils ahead, maybe slower traffic. We also introduced in Alberta rumble strips on the edge of the highway to ensure that if people are dozing off, they'd be awakened by the sound. We've also implemented some rumble strips on the centre line of the highway. As a result, that has provided additional safety for our traveling motoring public.

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

2:10

### Electricity Exports

MR. MacDONALD: Thank you, Mr. Speaker. When discussing power deregulation with the *Edmonton Journal* editorial board in February of this year, the Premier looked up from his detailed briefing notes with a shrug and said, quote: I have no idea what all this means. End of quote. My first question today is to the Premier. Does the Premier acknowledge that electricity exports out of Alberta are impacting the pool price and therefore adding to what Albertans pay for their electricity?

Thank you.

MR. KLEIN: Mr. Speaker, I don't know how it affects the pool price. I do know, as I said yesterday, that certainly the producers of major power – and I would say in excess of 500 megawatts – are looking for export licences and the means to transport that electricity, but as I explained yesterday, the rules are very clear. The needs of Albertans must be satisfied and, I would assume, at a reasonable rate. There has to be a certain amount of surplus power left in Alberta, and as I understand it, only the surplus on the surplus can be exported and again probably under very strict conditions, but I'll have the hon. minister respond.

THE SPEAKER: The hon. minister?

The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the Premier: does the Premier agree with the Power Pool of Alberta when it states in a recent discussion paper that exporting Alberta generation will impact the Alberta pool price, which, in turn, affects what Albertans, whether they be a residential consumer or industrial, pay for their electricity?

Thank you.

THE SPEAKER: Hon. member, the question period deals with government policy, not opinion.

Hon. Premier, if you want to talk about government policy, that's fine but not an opinion.

MR. KLEIN: Well, Mr. Speaker, you took the words right out of my mouth. The hon. member is asking me to make some assumptions, and I can't assume how it will affect the Power Pool, but perhaps the hon. minister can shed some light on it.

THE SPEAKER: The same applies.

MR. SMITH: Mr. Speaker, it's absolutely an excellent opportunity to indicate that new exports, exports over time, once the Alberta situation comes into balance – we're again seeing a drop in the pool price today: 9 and a half cents a kilowatt-hour. So what we're starting to see is a balancing occurring in Alberta, but if you want to encourage more generation and you want to increase a larger market

and you want to make those moves, then in fact future exports may have the impact of driving the price down.

MR. MacDONALD: Mr. Speaker, to the Minister of Energy. While the Premier yesterday would not answer, will the minister please explain his department's concern and what policy direction they're going to take concerning the issues that have been proposed by the Senior Petroleum Producers Association, which indicates that they have a great deal of concern about the impact of electricity exports on domestic prices, especially considering Alberta's own Power Pool now has that same concern as the petroleum producers?

Thank you.

MR. SMITH: Mr. Speaker, I think the best response would be the fullness of time. In the fullness of time we will see what will unfold with respect to lower power prices in Alberta, lower power prices that we've seen today and we saw yesterday, the fact that there is new generation coming on, the fact that the oil sands development leads itself to natural cogeneration opportunities, the fact that in Alberta you can start any electrical facility today and you have a built-in customer to sell it to. In fact, you can talk about oil sands, conventional oil and gas, the pulp and paper industry all presenting energy-producing, electricity-producing activities in a deregulated market with a customer that will buy it at the Power Pool. We're going to see more power, we're going to see lower prices, and we're going to see ourselves ahead of the situation that exists in North America today.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Calgary-Cross.

#### **Inland Cement Limited**

DR. PANNU: Thank you, Mr. Speaker. Last night the minister of environmental protection tried to turn a big public meeting, called to hear the concerns of citizens with regard to Inland Cement's application, into a carefully stage-managed public relations exercise with no less than five government MLAs and 20 departmental staff present. However, the minister failed to convince those present at the meeting that he was not fast-tracking the approval process. My questions are to the Premier. Will the Premier please stop the Minister of Environment from fast-tracking this important decision?

MR. KLEIN: First of all, Mr. Speaker, the Minister of Environment is not fast-tracking the process. I think that he answered the question fully and honestly yesterday relative to the process that will unfold relative to this particular application. I take offence to the assertion of the leader of the third party that this was nothing more than a PR exercise on the part of the minister. I saw the minister on television last night. I thought he did an outstanding job. I also saw the leader of the third party. I can't say as much for him; I'll tell you that much.

Mr. Speaker, as I understand it, a series of public meetings are being held so that the public, the people directly affected, especially can ask questions of Environment officials, can ask questions of the officials from Inland Cement, and can of course hear the opposition registered by the NDs – I don't know if the Liberals have any to register – and anyone else, for that matter, and can take those concerns into account as this application proceeds.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. The Premier seems to be

rather oversensitive about the questions, I mean seriously, to ask him to intervene. Will the Premier order a full environmental impact assessment as opposed to what the minister is offering, which is environmental review only?

MR. KLEIN: Mr. Speaker, first of all, I need to know what the hon. member means by a full-blown environmental assessment. You know, there are different processes to assess the environmental worthiness of a project. Certainly some by legislation are required – absolutely required – to go through a full public hearing either through the AEUB, the NRCB, perhaps the environmental assessment review process relative to the federal government, or a joint process of all three, depending on the nature and magnitude of the project.

Other projects, Mr. Speaker, could be the subject of less formal public open houses, less formal public hearings. All processes have to have an environmental impact statement; in other words, a document showing what the impact on the environment is going to be.

So, Mr. Speaker, it was deemed that this project, which is a conversion from gas to coal, should undergo a certain process. If at the end of the day, as I understand it, the people are not satisfied, they still have a very open and very public process, and that is an appeal to the Environmental Appeal Board.

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. My last question is to the Premier. Will the Premier guarantee Albertans and Edmontonians that public hearings will be ordered so that presenters can be cross-examined when they present evidence, scientific and other, to the hearings?

MR. KLEIN: Mr. Speaker, I assume the process to which the hon. member alludes is a full-blown environmental impact assessment, involving hearings before the Natural Resources Conservation Board. The legislation is quite clear relative to the kinds of projects and the magnitude of projects that are subjected to NRCB and/or AEUB hearings. This obviously is a project that is deemed not to be significant enough to be subjected to that kind of review. However, the minister has said that he will make sure that the public has ample opportunity for input into this process and that indeed appropriate and proper environmental impact statements will have to be prepared and that the appeal process through the Environmental Appeal Board is available to any person who has an objection or has grounds to launch an appeal.

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

2:20

#### **Maintenance Enforcement Program**

MRS. FRITZ: Thank you, Mr. Speaker. My office continues to be very, very busy with calls regarding maintenance enforcement. I realize that you've had that issue in the Legislature on a number of occasions previously, but I also know through my discussions with the hon. Minister of Justice that we have approximately 43,000 cases of maintenance enforcement ongoing in our province at any one time. Quite frankly, I continue to believe that we need to acknowledge the sensitivities of all family members when maintenance enforcement becomes necessary in their lives, which is why my question today is to the hon. Minister of Justice. What is the minister doing to assist children and family members who are

affected by debtors that refuse to pay spousal taxes that have been ordered in their court-ordered maintenance?

MR. HANCOCK: Well, Mr. Speaker, I'm pleased to have the question because the maintenance enforcement program is indeed a success story. The maintenance enforcement program is there to assist children in Alberta and to assist families to get the maintenance which they deserve and which is ordered by the courts. There's been a very real improvement in that program over the course of the last year. Since the program was launched in November of 1986, monthly collection rates have increased significantly, and the program is now collecting \$11.5 million per month.

During the two years since the Maintenance Enforcement Act was amended in 1999, the ability of the maintenance enforcement program to make collections has been dramatically improved. They've been given much-needed teeth to take a wide variety of enforcement actions including the ability to cancel drivers' licences, the right to report defaulting debtors to the credit bureau, and the ability to go after moneys transferred to third parties. I'm pleased to report that the program collected more than \$138 million last year on behalf of Alberta's families and children. That's an increase of \$11 million over the previous year.

A couple of other minor items, Mr. Speaker, but not so minor to the people who access the program. The delay in people getting access over the phone has been reduced from a 15-minute holding time to less than five minutes. That's a significant improvement in service, and we're continuing to try and improve that service to the Alberta public.

THE SPEAKER: The hon. member.

MRS. FRITZ: Thank you, Mr. Speaker. Also to the same minister: what is the program doing to accommodate debtors, who are primarily men, that cannot afford to pay?

MR. HANCOCK: Well, Mr. Speaker, there are always two sides to every story. There are many people who are registered with the program and are in situations where they can't pay or haven't been able to pay. While we make every effort to collect on behalf of those who are entitled to receive payment and the maintenance enforcement goes through a series of processes including default hearings and where we can't find people or can't get satisfaction any other way, by posting pictures on the web site, the program is not without a heart. If somebody cannot pay, if their financial circumstances are such that they can't make the payments, they can meet with program personnel to discuss the problem. The program cannot vary a court-ordered payment, so they will advise people to go back to court and get the payment varied, if that's appropriate. They can make arrangements with respect to the amount to be paid on arrears, and they will do that in appropriate circumstances.

THE SPEAKER: The hon. member.

MRS. FRITZ: Thank you, Mr. Speaker. It's also my understanding that the court-ordered obligations are enforced through the Internet and, as well, through state-of-the-art phone systems, and I'm interested in hearing from the hon. minister what the results of that enforcement are.

MR. HANCOCK: Well, yes, Mr. Speaker, we have two processes involving the special investigations unit, that was set up in the past year and a half, and also a compliance unit.

The special investigations unit has collected more than \$5.7

million on about a thousand files. Those are files in which money was not previously being collected, so it's a significant improvement to the program and to the people in particular who are awaiting their maintenance payments. The compliance unit was created to bring files to default hearings more quickly and to deal with the challenge that was faced by many families – and in some cases is still being faced – in terms of getting to a default hearing on a timely basis. Docket courts have been set up in Edmonton and Calgary to handle the process, and as a result the wait for a hearing has dropped from more than seven months to three months.

So, Mr. Speaker, I'm pleased to advise the House that there has been significant improvement. There can always be more improvements made. We're certainly working to make sure that in a very, very tough job our maintenance enforcement people are always polite with the public and deal with the public in a reasonable manner. The program is working very well for Alberta families.

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

### Water and Wastewater Grants

MR. BONNER: Thank you, Mr. Speaker. As Albertans get ready to head to cabins and summer villages, water quality and quantity is on everybody's mind. My questions are to the Minister of Transportation. Will the minister table copies of any studies or reports his department has on the adequacy of water and wastewater infrastructure in summer villages?

MR. STELMACH: Mr. Speaker, our department is always open with any kind of reports and studies that we do in co-operation with the various municipalities, including summer villages, in this province.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. Also to the same minister: what is the status of the waiting list for funding under the water and wastewater grants?

MR. STELMACH: Mr. Speaker, I think I answered this question a couple of weeks ago to the same hon. member.

The budget will cover all of those applications where the water quality and supply are at risk. We're working with other applications that are coming forward, but they're rated according to need, and we will look after the most urgent needs in the province of Alberta to ensure the safest quality of water for those residents.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. Also to the same minister. Planning for water and wastewater infrastructure must be done with significant lead time. Will the minister table a copy of the specific projects being funded this year under water and wastewater grants?

MR. STELMACH: Yes.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Grande Prairie-Smoky.

### Gasoline Pricing

MR. MASKELL: Thank you, Mr. Speaker. Last week the price of gasoline at the pumps rose to 72 and a half cents per litre, a price increase of 9 cents a litre over a two-day period. My question is to



the Minister of Energy. My constituents would like an explanation for this rapid rise in gasoline prices.

MR. SMITH: Well, Mr. Speaker, in a province where the most pickup trucks in Canada are sold each year and for good reason, it's an important question. The price of gasoline is affected by a variety of factors. For example, the cost of crude oil, retail marketing, transportation, distribution costs, taxes, local market conditions, and seasonal considerations all play in this. However, world markets also play a part in crude oil prices.

Now, what happens from a seasonal perspective, Mr. Speaker, is that during the winter supplies of gasoline are drawn down and then replenished in the springtime in storage facilities. The demand for gasoline at the pumps in the spring often starts to increase before these inventories can be replenished. So as soon as springtime demand and increased supply start to match up, we do see a bit of a return to normal levels.

However, I can report to the member that today in Edmonton – and I would direct members to web sites using computer technology available right here in the Legislature, Mr. Speaker. The lowest price of gas in Edmonton happens to be two blocks from the Legislature; on Monday at 2 in the afternoon it was 68.9 cents. A high price of 72.5 cents. This compares to a price of 75.8 cents at the Pioneer station at Wellington and Dufferin in Aurora, Ontario, and a high of 78.9 cents at a station at Ravenshoe and Woodbine in Keswick. So we're still much cheaper than what we see in other jurisdictions.

2:30

MR. MASKELL: Mr. Speaker, my first supplementary question is to the Minister of Finance. Can the minister indicate whether the province benefits from the higher retail prices of gasoline?

MRS. NELSON: Mr. Speaker, the province of Alberta charges 9 cents a litre on fuel at the pump no matter what the pump price is. So the higher spike in the price at the pump does not directly benefit the provincial coffers that we look at. However, just so hon. members will know, the federal government also charges 10 cents a litre at the pump no matter what the pump price is and, in addition to that, charges Canadians 7 percent GST. So as the price at the pump goes up, the one government jurisdiction that benefits is the kissin' cousins of those guys in Ottawa.

MR. MASKELL: My final question, Mr. Speaker, is to the Minister of Energy. Can the minister indicate whether the province has any plans to alleviate the sudden rise in gas prices?

THE SPEAKER: The hon. minister.

MR. SMITH: Well, thank you, Mr. Speaker. The province, as everyone in the House knows, does not interfere with the marketplace and has no part in setting retail gasoline prices, although I would say that in Alberta there is a bit of a golden fleece in the cloud in that every time the price of oil moves up a dollar, the royalty bank, the royalty pool, increases by up to \$153 million. That money, again, is distributed throughout Alberta on a reasonable basis through the Assembly in estimates, which we're covering now.

I also just want to mention before I sit down, Mr. Speaker, that the last installment of the \$300 energy tax rebate, the onetime refund of \$300 that was paid in two equal installments, is arriving and has been arriving, and I think this can also help with gasoline costs in the province of Alberta.

Thank you.

## head: **Members' Statements**

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

### **Heritage Savings Trust Fund**

MR. HUTTON: Thank you, Mr. Speaker. It's my pleasure as chairman of the Alberta Heritage Savings Trust Fund Committee to announce that this week marks the 25th anniversary of the Alberta heritage savings trust fund. On May 19, 1976, the Alberta Heritage Savings Trust Fund Act was given royal assent. The heritage fund was created because oil and gas prices were at an all-time high and the government was collecting record amounts of nonrenewable resource revenue. The government set up the heritage trust fund from a portion of oil and gas revenues to be used as an investment fund.

The heritage fund has benefited Albertans very well. In the late '70s and '80s the fund was used to invest in capital projects such as irrigation rehabilitation and expansion, renewable energy research, Pine Ridge Forest Nursery enhancement, Alberta Family Life and Substance Abuse Foundation, applied cancer research, and much, much more. These projects provided lasting benefits to Albertans.

This government surveyed Albertans in 1995 about the future of the heritage fund. Albertans told us not to use the fund for capital projects but to focus on providing greater returns for long-term investments and to use the income that the fund generates to help pay for the current priorities, Mr. Speaker. With the new focus the government brought in changes to strengthen the accountability of the fund in 1997. Now the heritage fund is worth \$12.3 billion and has earned about \$1 billion a year for the past three years.

The heritage fund will be a huge benefit for future generations of Albertans. Alberta is a very different place than it was 25 years ago, Mr. Speaker, and the future of the heritage trust fund will be discussed again at the province's upcoming Future Summit this fall.

Thank you very much, Mr. Speaker.

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

### **Town of Raymond**

MR. JACOBS: Thank you, Mr. Speaker. The town of Raymond is pleased to celebrate its 100th birthday on July 1, 2001. Raymond has risen from the vision of Utah industrialist Jesse Knight to a thriving community of 3,500 people. It has an agricultural background; farming and ranching have been the basis for its economic growth. Light industry has assumed a major role within the community in recent years. Raymond has long claimed the honour of being home of the first stampede, in 1902, conceived and implemented by Jesse's son, Raymond Knight, for whom the town was named.

The town of Raymond has played a major part in the development of irrigation in southern Alberta and is a community noted for its strong work ethic and sense of fair play. Family, education, religion, and sports have played a big part in the daily life of Raymond's citizens. It has been said that Raymond's major export has been our young people seeking to make a contribution to the world's larger stage. These youth have excelled in science, medicine, education, business, cultural arts, and many other areas. Wherever you go, you find someone from Raymond. They are proud of their heritage and look forward to returning to their roots.

In this year of their centennial the town of Raymond invites everyone to come home and celebrate with them, remember the past, be a part of the present, and look forward to the future as we share the great pioneer heritage that we enjoy and of which we are so

proud. Mr. Speaker, I offer congratulations to the town of Raymond and its people on their 100th birthday.

Thank you.

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

### **Social Assistance Rates**

MR. MacDONALD: Thank you, Mr. Speaker. It is far too comfortable for many to express the notion in their comments on increasing welfare allowances that welfare has produced dependency, unwillingness to find employment, drug abuse, and crime.

Today I urge the hon. Minister of Human Resources and Employment to immediately increase the allowances to the approximately 30,000 Albertans, mostly women and children, to reflect the real cost of living. The Ministry of Children's Services recently reported a relationship between income levels, including families in receipt of SFI, and the growing number of children in care with the government as their legal parent.

Have we forgotten Alberta's children when we adopt the attitude that welfare is a program of last resort? To ensure that recipients are not better off than other low-income Albertans is to ignore the well-being of many children and their immediate families.

The Alberta College of Social Workers has stated that, quote, another consequence of the principle of least eligibility is that Alberta Human Resources and Employment claws back other funding received by Albertans receiving welfare. For instance, while the federal government has taken the step of introducing the national child benefit as its contribution to help reduce child poverty, Alberta Human Resources and Employment eagerly claws back the full amount of this federal benefit targeted to help infants and children of parents on SFI. Directly or indirectly these federal funds intended for the poorest and the youngest of our fellow citizens become part of Alberta's annual budgetary surplus. End of quote.

In Alberta a single parent with one child under the age of 11 years receives a standard allowance for two persons from the government amounting to \$305 a month. This allowance amounts to \$4.92 per day for the child. Each of us in this Chamber receives \$100 per day when we travel this province on official business. I urge the minister to increase SFI allowances immediately in order to reflect the current cost of living in Alberta.

Thank you.

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

### **Glendale Elementary School**

MS KRYCZKA: Thank you, Mr. Speaker. On Tuesday, April 24, 2001, I was very honoured to attend and speak to a special assembly of students and staff and parents at Glendale elementary school in Calgary-West, special in that the student body proudly honoured their principal, Lori Pamplin, winner of a 2001 PanCanadian students' choice award.

During the past three years, Mr. Speaker, with Lori Pamplin's leadership Glendale elementary school's students, parents, and staff have together developed a truly remarkable sense of pride in their achievements. The enthusiasm that day was truly infectious. Lori has been a very effective and highly involved administrator in the LEAP process in Calgary. Also, Glendale is the first school in the Calgary board of education to be working with the Galileo Educational Network, and it is working so well for the children.

2:40

At this special school assembly, Mr. Speaker, I heard many words,

spoken and in songs, expressing appreciation which are important to share with this Assembly today. All students actively participated from ECS to grade 6, including many with special needs and handicapped students. Their love for Lori as a friend and leader was expressed many times over. Lori was described as absolutely exceptional and fair-minded. Lori was credited with creating a wonderful learning environment, and there were the ultimate tears of happiness, especially from Lori, as predicted.

Mr. Speaker, I highly commend PanCanadian Petroleum Limited for their students' choice awards program. One of the goals is to encourage educators to continue to learn and improve as a result of positive recognition and professional development funding. The program, as I observed, truly works in that it encourages students to notice the helpfulness of their educators and to express appreciation for their insight, dedication, and skill.

I congratulate Lori Pamplin and Glendale elementary school's students, parents, and staff on their achievements and wish them continued success as they continue to work together to reach their goals.

Thank you, Mr. Speaker.

THE SPEAKER: Hon. members, prior to going to Orders of the Day, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

(*reversion*)

THE SPEAKER: The hon. Minister of Government Services.

MR. COUTTS: Thank you, Mr. Speaker. It's always a pleasure to introduce school groups when they come, particularly, almost a six-hour drive from the breathtaking constituency of Livingstone-Macleod. I would like to introduce 17 students and parent helpers from the Rocky View Christian school in Pincher Creek. They are led today by Mr. Don Esau, who is accompanied by parents and helpers Mr. Galen Unruh, Mr. Merle Unruh, Mr. Ron Boese, Mrs. Lola Boese, Mr. Jerry Toews, Mrs. Wilma Esau, Mrs. Lorraine Unruh, and Mrs. Wendy Toews. They are seated in the members' gallery, and I ask them to please rise and receive the traditional warm welcome of the Assembly.

MR. LOUGHEED: Well, Mr. Speaker, I'm pleased to introduce to you and through you to the members of the Assembly a couple of young ladies, one visiting from Vancouver for a few days and the other back in the area from her summer work placement. They are my daughters, Allison and Kimberly. I'd ask them to rise and receive the welcome of the Assembly.

head: **Orders of the Day**

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

**Bill 205**

**Municipal Government (Farming Practices Protection)  
Amendment Act, 2001**

[Adjourned debate May 9: Mr. Stevens]

THE SPEAKER: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you very much, Mr. Speaker, and a special thank you to the Member for Lacombe-Stettler for bringing forward

Bill 205. This is an incredibly important issue in Alberta right now, one that many in fact are totally unaware of.

Here in Alberta, in a province that prides itself on being business friendly, we find ourselves losing business to other provinces. And not just any business, Mr. Speaker, but value-added agribusiness. Particularly now, with high input costs and low grain costs, one would think that the higher end value-added would be incredibly important to us. It is not that many years ago that agriculture was the number one business in this province, and while it no longer holds that esteemed position, it is still one of the top three industries in our province, with over 115,000 people in Alberta employed directly or indirectly in agriculture from both the primary production and further up the food chain to the food processing and value-added areas.

Over \$22 billion in our gross domestic product is because of agriculture. Our farmers can and do compete with anyone in the world, and when we say Alberta Best, everyone here knows what we are talking about. Even from my understanding of an article in the newspaper this week, they know what it means in New York, too, when they talk about Alberta Best and the best beef that they can sell. It's a major attraction in New York restaurants now. Alberta beef, our poultry, our pork, our wheat for pasta, some of the finest in the world, our potatoes for our plants down in southern Alberta. We have sugar beets. We have vegetables, rye for whiskey, and malt barley for beer. We have value-added crops like canola, flax, and oats for cereal, as well as some of the finest oats in the world, that are shipped out to Venezuela where they know that for their racehorses these are the best oats anywhere in the world.

We can do all of this, yet we rarely think about it until someone wants to raise some more hogs or some more cattle or some more poultry. All of a sudden we're willing to say: "Well, gee, wouldn't you like to do that someplace else, you know, maybe like a thousand miles from here, maybe in Saskatchewan or Manitoba? We really don't want any more intensive livestock in Alberta."

One of our major exports is beef. I believe it was somewhere around \$5 billion worth last year, yet we don't want to let any more feedlots be developed. In some cases it doesn't seem to matter if they meet all the requirements of the scientific community or not. We seem somehow to find ways to change rules or find ways to just simply delay the project in the hopes that it will go away. This is a situation where rural and urban are not seeing eye to eye on process. I would like to remind this Assembly that much of Alberta's wealth is generated in rural Alberta, and we have to guard against putting the brakes on development and industry in rural Alberta. Agriculture, industry, even our oil and gas are sometimes in question because we've decided to do other things with rural Alberta. It is something that seems to be occurring with greater and greater frequency.

We have many areas of our province that are being subdivided into acreage developments. Now, I think everyone understands why people would want to move out into the country. I mean, it's beautiful. It gives everyone a greater appreciation of our desire to have our own little piece of heaven, and it's right here in Alberta, just on our back step. However, when we do that, we have to remember that industry, development, agriculture still need to be able to carry on creating the goods and products that we all depend upon, in fact that we all derive our income from. We depend on our farmers and our ranchers to produce the very goods that sustain us. We want them to be of high quality and at reasonable prices, yet we are making it more and more difficult for them to do that.

One company here in Alberta has purchased land only to find after they met all – all, Mr. Speaker – all of the requirements for a hog operation, that the MD changed the rules on them. It's three years

now and millions of dollars later, and still no hog operation is being allowed. Surely this is not how we do business here. We have to find a solution to this situation, and the Member for Lacombe-Stettler has presented her version of what needs to be done.

However, Mr. Speaker, we do have an intensive livestock committee working on a report that may also have some solutions. I really think at this time we should be waiting for that report to move through our process and have the opportunity to review it, to finish whatever consultation needs to be done, and change the legislation to be able to ensure that intensive livestock operations can operate here and help us to further develop our value-added goals.

So, Mr. Speaker, on that basis I would like to move that the motion for second reading of Bill 205, Municipal Government (Farming Practices Protection) Amendment Act, 2001, be amended by deleting all the words after the word "that" and substituting the following:

Bill 205, Municipal Government (Farming Practices Protection) Amendment Act, 2001, be not now read a second time but that it be read a second time this day six months hence.

Thank you, Mr. Speaker. I now have filed copies of that motion with the Clerk.

THE SPEAKER: The Assembly now has before it an amendment. The amendment is very clear in terms of what the hon. member indicated, and such an amendment is debatable.

MS CARLSON: Mr. Speaker, I don't have the amendment before me yet, but I'd like to make a few comments. When we see the government bring forward hoist amendments on private members' bills, it doesn't seem to be an appropriate thing to do. The appropriate manner to handle a bill like this is to . . .

THE SPEAKER: Hon. member, for clarification, the hon. Member for Airdrie-Rocky View moved the amendment, and my understanding is that the hon. member is not a member of the government. She is a private member as well.

MS CARLSON: Thank you, Mr. Speaker. The appropriate thing to do on a bill like this is to put it before all the members of the Assembly to vote on, either to support it or to not support it and defeat the bill. To hoist it six months hence I don't think is in the spirit in which the bill was brought forward, and I wouldn't mind hearing from the sponsor of the bill on this particular amendment.

THE SPEAKER: There is a question before the House at the moment. I gather no other additional members want to participate.

[Motion on amendment carried]

2:50

## Bill 206

### Regional Health Authorities Conflicts of Interest Act

THE SPEAKER: The hon. member for Edmonton-Ellerslie on behalf of the hon. Member for Lethbridge-East.

MS CARLSON: Thank you. Yes, on behalf of the Member for Lethbridge-East I would like to start the discussions on Bill 206, which is the Regional Health Authorities Conflicts of Interest Act. We have a number of concerns about conflicts of interest legislation in this Assembly, and certainly it isn't just limited to RHAs, but that is particularly what we would like to be able to discuss in this Assembly, Mr. Speaker.

Regional health authorities have changed in format over the last few years, and we are particularly concerned that matters are brought

before them that have issues of conflict involved in them. We have a number of concerns that talk about them.

[Mr. Shariff in the chair]

Here we have what we believe is an undermining of the public health care system that we'd like to talk about. In general we'd like to talk about reducing public confidence in the health care system when conflicts arise. We've seen a number of those instances occur in this Legislature over the past few years, certainly during my experience in this Legislature. We have concerns that conflict of interest in the public health care system doesn't correspond with accepted practices in the private sector or even in parts of the public sector. Once again, we've seen several references to that occur in the past few weeks here in this Legislature.

We could state that it's the most important service that government provides: health care. We need to ensure that it is crystal clear in terms of the mode of delivery in this province. Albertans need to know beyond a shadow of a doubt, Mr. Speaker, that conflicting interests play no part in the health care delivery system. We see that with a lack of uniform conflicts of interest legislation before us in this province, certainly applicable to all RHAs, we have very grave concerns about the ability to monitor and deal with conflicts, potential or otherwise.

It will be interesting to hear, Mr. Speaker, what other members of this House have to say on this bill. I'll take my seat at this time.

[Dr. Nicol rose]

THE ACTING SPEAKER: Hon. member, you will have your moment to close debate. Under *Beauchesne* you'd be the last speaker to close the debate.

The hon. Member for Innisfail-Sylvan Lake.

MR. OUELLETTE: Thank you, Mr. Speaker, for allowing me to speak to Bill 206, the Regional Health Authorities Conflicts of Interest Act. Let me just preface by saying that I applaud the intent of this bill. Crystal-clear regulations on potential conflicts of interest and a systematic mechanism to enforce these regulations are essential to the smooth functioning of any government-related authority. Government authorities, appointed or elected, are bestowed with a unique trust, the trust of the people of this province. When there is a failure in this trust, the damage is not just in terms of lost dollars or in terms of forfeited efficiency. Rather, the damage from a conflict of interest in government-related authorities is a betrayal of Albertans. It is a trust forsaken, that cannot easily or potentially ever be rebuilt.

Building up a strong trust of the people of this province is especially crucial in the field of health care. Health care makes up the single largest area of expenditures for this province with a budget expected to approach \$7 billion this year. Health care often involves decision-making on a daily basis by professionals with information that only experts can understand, and these decisions have immense impact on the lives of Albertans. Most importantly, health care decisions are very often made for people when they are ill or otherwise vulnerable. For all these reasons the standard that the government sets to eliminate conflict of interest must be raised to its absolute highest in the case of health care.

Thus, Mr. Speaker, I am not at all opposed to the intent of this bill. Instead, I am deeply concerned about the process implied by this bill. I wish to bring forth this afternoon two reasons why this legislation is unnecessary and potentially a danger to its intended cause of ensuring high quality of health care in this province.

First, Mr. Speaker, I will reaffirm that current legislation and guidelines to deal with conflict of interest problems in the health care field are thoughtfully designed and tested. I will emphasize that current legislation is comprehensive, systematic, transparent: all the standards necessary to be appropriate and efficient.

Second, Mr. Speaker, I will demonstrate that Bill 206, for all its good intentions, has the potential to do harm to the very cause it purports to seek improvement with: the delivery of quality health care in this province. It will take away valuable resources from critical health care areas and place them in areas where they are likely redundant. Moreover, the structured system of checks and balances as it exists today with clear accountability and authority may become a bungled mess. Overlaps, inefficiencies, and abdication of responsibility could ultimately lower the standard of conflict of interest regulations in this province.

Let me begin by explaining a bit about how current conflict of interest guidelines in health care work in this province, how the system as it stands is systematic, offering an unambiguous mechanism for resolving conflict of interest disputes, how it's comprehensive, complete with legislation for all participants in the health care field, how it is transparent, open to a reasonable level of scrutiny, and how it is understandable such that all those affected by the regulations are aware of their obligations.

The most direct legislation that deals with conflict of interest regulation in health authorities in this province is the Regional Health Authorities Act. As members of this Legislature we are well aware that the Regional Health Authorities Act, which came into effect in 1994, divided Alberta into 17 health authorities, each endowed with the responsibility of budgeting and delivering health care in their respective geographic regions. Section 6.1(1) of this act clearly states:

A regional health authority shall make by-laws governing conflict of interest in respect of members of the authority, agents of the authority and senior officers and employees of the authority.

It further states that each of these sets of bylaws must be "approved in writing by the Minister" of Health and Wellness. Indeed, Mr. Speaker, each and every one of Alberta's 17 health authorities has completed these guidelines or is in the process of completing them.

The Calgary regional health authority, for example, has adopted what it terms a conflict of interest bylaw. In it you will find reference to regulations governing members of the authority and agents of the authority. In it you will find reference to abusing the public role and the full disclosure of private interests. These are phrases and concepts that are literally duplicated in sections of Bill 206. These bylaws already exist and have the reach and the depth that Bill 206 claims it will introduce into Alberta. The regulations suggested by Bill 206 are already in place.

A second measure by which conflict of interest is currently regulated is through the Health and Wellness department itself. Yes, each of the separate authorities has a distinct code of ethics, but ultimately each and every board member and each and every employee of the regional authority is responsible to the Minister of Health and Wellness. The Calgary regional health authority's conflict of interest bylaw, for instance, concludes by noting that this bylaw does not preclude the minister from making such decisions and taking steps to enforce conflict of interest procedures.

So, Mr. Speaker, a second layer of enforcement prevails. Not only has each regional health authority written up a set of regulations, but the Minister of Health and Wellness continues to take ultimate responsibility for whatever actions are taken by the authorities. The minister is, of course, subject to the already existing Conflicts of Interest Act. This means that all aspects of the Health and Wellness ministry, including the regional health authorities, are already subject to a very thorough set of regulations.

3:00

This also means that regional health authorities are subject to the scrutiny of the Alberta Ethics Commissioner. I note this point because Bill 206 places quite an emphasis on utilizing the Ethics Commissioner to enforce conflict of interest regulations. By virtue of the way this government has structured regional health authorities to be accountable to the minister, the Ethics Commissioner already plays a role.

A particular point raised in Bill 206 is in regulating conflicts of health authority board members. This fall, as I am sure all members of this Assembly are aware, Albertans will be going to the polls for the first time to elect two-thirds of the members of their respective health authorities. The remaining one-third of the positions will continue to be appointed by the Minister of Health and Wellness. I can see why this change might cause special concern. Indeed, I would hope all members would be interested in the new challenges this system will present to conflict of interest guidelines in health care.

Vastly more people are now going to have a say and an influence in the process to make up regional authority membership. There will be different groups of health professionals, companies that provide health services, nongovernmental organizations, and individuals seeking to have their concerns addressed by candidates and implemented by the various authorities.

This conclusion of a wide body of interests and groups in composing health authority membership is by no means necessarily detrimental to health care delivery in this province. Indeed, this level of involvement is a part of how democracy works. It will help make health care providers more responsible on a local level, which was the intention of this government. Yet in allowing more people into the process of the health authority composition, the scrutiny that can be placed on each and every person involved is inherently diluted. The resources that were previously used in a very focused method when regional health authority board members were chosen by a method of selection must now be spread across a wider spectrum. This means that conflict of interest guidelines need to be especially comprehensive, and they need to be especially well understood. The absolute necessity that proper ethics be followed is heightened once again.

These new challenges presented with the election of regional health authority boards, Mr. Speaker, are partly why this government tabled Bill 7 this session. This government has considered the new challenges posed by elected health authorities and has extended and tightened up conflict of interest regulations in this area to pre-empt any potential flaws at this time. Once the amendment is enacted, specific guidelines in matters of conflicts of interest will be applied to the election process for regional health authorities. Rules for disclosure of contributions will be more specific, rules for candidate finances will become more firm, and rules for relationship between candidates and employees of the regional health authority will be clarified. In other words, yet another level of accountability will be introduced into the effort to enforce a strong conflict of interest policy.

Mr. Speaker, there are more regulations still. Doctors and nurses are subject to stringent conflict of interest guidelines governed by their respective professional bodies. These guidelines not only place strict limitations and stern punishment on matters of money but also in matters relating to the ethics of being a health professional, a career that involves a very unique relationship with patients. There is an enormous amount of responsibility falling into the hands of the caregiver and an enormous amount of faith on behalf of patients. Self-regulation inside the profession ensures that the strictest standards are maintained.

So, Mr. Speaker, you can see that there already exists an elaborate and elegantly designed framework for regulation of conflict of interest. There are the regulations that each of the 17 regional authorities are writing up as stipulated by the Regional Health Authorities Act. There is the ultimate responsibility of the Health and Wellness minister and the involvement of the Ethics Commissioner in overseeing all services provided by the provincial government, including health care. There's internal monitoring provided by the professional bodies that many people in the health care community belong to.

I have established, Mr. Speaker, that Bill 206 is redundant. I also wish to point out that excessive legislation can be dangerous, and in the case of Bill 206 the potential of danger is great. First, the enforcement of this new legislation could be costly in terms of time and money. For instance, if the Ethics Commissioner is expected to fulfill a wider range of duties, then the resources and effectiveness of this office will be stretched beyond its current capacity. Almost certainly more resources will have to be allocated to the office of the commissioner. These are resources that could've been placed in a number of areas including the delivery of health care.

Secondly, Mr. Speaker, overlapping legislation causes harm because it confuses responsibility and confuses honest efforts at fulfilling duties. With the new layer of governance that would be implied with Bill 206, which code is of the highest authority? My concern is that people might not know the answer to this question, and that accountability would be compromised.

Mr. Speaker, I understand and strongly agree with the goal of making watertight conflict of interest legislation governing health care provisions in this province. We need a mechanism that is systematic, comprehensive, transparent, and understandable. I will not pretend for a moment that the system we currently have is perfect, but I disagree that passing this bill will bring us any closer to achieving that perfection. In fact, by creating duplicate legislation, it will undermine the efficiency of the current system. Governance over conflict of interest in Alberta health delivery already exists. There is a framework of legislation emanating from the health care authorities act, and there is the discipline imposed by professional organizations involved in health care.

I urge all members this afternoon to vote against Bill 206. In doing this, Mr. Speaker, members will be recognizing that our government has a clear plan with respect to health care delivery in this province and that we have been especially stringent and proactive with respect to conflict of interest legislation.

Thank you very much, Mr. Speaker.

THE ACTING SPEAKER: The hon. Member for Drayton Valley-Calmor.

REV. ABBOTT: Thank you, Mr. Speaker. It is an honour for me to rise and join the debate on Bill 206, the Regional Health Authorities Conflicts of Interest Act. Over the last 50 years this province has experienced a successful evolution of health care governance. The Department of Health and Wellness and this government have implemented years of comprehensive planning to ensure that ours is the best possible health care system.

Health care is very important to Albertans. Health-related issues will continue to arise as Alberta's population ages. One important way we are proactively increasing the effectiveness and efficiency of our health care system is by removing a layer between RHAs and the electorate. The move to electing two-thirds of our regional health authority board members has been a long and complex process and one that I feel has already dealt with the concerns brought forward in Bill 206.

The 17 health authorities will continue to operate under the Department of Health and Wellness, and the board members will continue to work under a stringent system of checks and balances. Along with answering to the Minister of Health and Wellness, most members of the 17 health authorities will also answer to the electorate.

Mr. Speaker, conflicts of interest will not be a problem under our new system. I'm confident that our RHAs will operate with conviction while maintaining focus and achieving their goals. I am confident that the best decisions will be made for setting a vision and direction for their region. Board members and senior staff will work together to develop a large vision for as many services as possible. I'm confident that the best decisions will be made for developing a business plan, including making the tough budget decisions, and I'm confident that the RHA board members will be talking to community leaders, families, and individuals about health issues in their region. Those who are elected from the people and by the people will be accountable to the people.

3:10

Mr. Speaker, people have asked: why elect two-thirds of our RHAs? Why elect 126 members and appoint 63? Well, the idea of combining elected and appointed RHA boards comes as a result of years of planning and numerous meetings with all stakeholders.

In 1995 this government released *Selecting Regional Health Authority Members*, a discussion paper and survey. Feedback from constituents told us to create a framework to elect members for Alberta's 17 health regions while maintaining accountability to a broader vision of health services for the entire province. An election gives people living in the region a direct role in selecting members but also encourages constituents to voice concerns and supply feedback to help their RHAs make the best decisions possible.

One weakness of the current situation of appointments is the perceived bias that exists in the selection process. Elected members will add a unique voice and fresh ideas for the future of health in this province. An election process encourages Albertans to get involved. More Albertans involved will mean more diversity. More diversity will mean more ideas. More ideas will create better solutions to issues relating to health service delivery.

We had very specific reasons for retaining a portion of appointed members. Feedback from stakeholders including health professional associations and health providers advised this government to appoint members, allowing them to focus strictly on health issues rather than on constituent concerns. Stakeholders were concerned about maintaining a balance among the board members such that boards would be accountable to the whole region, accountable to all demographic groups, and accountable to the province. Appointing members prevents the threat of turf protection and encourages co-operation between regions. Also, through appointments the Minister of Health and Wellness can ensure that each board has the expertise to successfully initiate health proposals and business plans.

Health providers were concerned about elected board members' ability to make controversial and essential decisions, especially regarding policy and budget issues. Other stakeholders agreed that appointments reduce the chances for single-interest candidates and their possible inability to work as a team with other board members.

As we move toward our new system of elected RHAs, this government has reduced the very possibility of conflicts of interest. This is why I cannot support Bill 206.

I also question the use of the office of the Ethics Commissioner to monitor RHA boards, which is another thrust of Bill 206. The Ethics Commissioner already monitors MLAs, including the Minister of Health and Wellness. I fail to see sufficient benefit for

regional health authority members to answer to him as well. I'm worried about extending the responsibilities of the Ethics Commissioner. Each region has unique issues that are best resolved at the local or regional level. The commissioner will have limited resources to monitor the more than 200 RHA board members scattered throughout the province. Therefore, Bill 206 is advocating either one of two things, either an increased bureaucracy or a remarkably less effective office of the Ethics Commissioner. I find either option undesirable.

I'm worried that the availability of the office or person of the Ethics Commissioner could deteriorate for MLAs or government officials. Up until now the office of the Ethics Commissioner has been exclusively used by members of this Assembly and senior government officials. We cannot add to his responsibilities without either increasing the resources available to his office or even increasing the number of commissioners.

Mr. Speaker, let me give you a humorous analogy. Our Ethics Commissioner is a shepherd of a group of sheep. The shepherd makes sure that the sheep eat the right kinds of grass and do not play near cliffs or near the dark woods where the wolves lurk. What Bill 206 proposes is that the shepherd be responsible now for a much larger field, leaving a portion of his flock of sheep to fend for themselves. Members of this Legislature and senior government officials rely on the guidance of our shepherd, the Ethics Commissioner. To restrict or to remove or to dilute his availability to this government would be nearsighted and ill advised.

The RHAs are separate, smaller flocks protected by the steep mountain ranges called RHA codes of conduct and bylaws. Why would we want to extend our shepherd to already regulated flocks which have no need of the Ethics Commissioner, only to leave the sheep here in this field unprotected?

Well, let's keep this issue in perspective. The Minister of Health and Wellness has the final say and the final approval for RHA decisions. Each RHA's responsibility includes managing their region's resources and allocating funds, but they are ultimately accountable to the minister. He in turn is already accountable to the Ethics Commissioner. This is the system we have in place, and this is the system that works. I have confidence that our board members will be responsible and ethical while acting under the framework of existing codes of conduct and bylaws.

This government continues to improve our health care system and to improve our conflict of interest guidelines for our regional health authorities. I would like to point out that Bill 7, the *Regional Health Authorities Amendment Act*, 2001, which sets the RHA election process in motion, requires disclosure of all records relating to election finances, and it ensures that the rules set out for regional health authority candidates are the same as the rules for MLA candidates.

Another amendment from Bill 7 gives government the authority to make regulations regarding who makes contributions, the timing and manner of making contributions, the maximum amount of contributions, and penalties for violation. Mr. Speaker, these are very thorough amendments that specifically preclude conflicts of interest and ensure fair, efficient RHA election financing.

Bill 206 would not adequately improve regulations and principles for regional health authority members to justify the expense and the duplication that it would entail.

I must say, Mr. Speaker, that I agree in principle with the intent. Conflicts of interest are completely unacceptable, especially in health care. However, I cannot support Bill 206 as it stands. To include RHA board members as an additional responsibility of the Ethics Commissioner would reduce the availability of his office and person to MLAs and senior government officials. Also, the potential

for regional health authority board members to be in a conflict of interest situation is, by the nature of the division of responsibilities of the authorities and the Minister of Health and Wellness, limited. The Conflicts of Interest Act already governs the Minister of Health and Wellness, who in turn is ultimately responsible for the regional health authorities.

So I urge all members of this Assembly to vote against Bill 206. Although it has the best of intentions, it duplicates existing guidelines and dilutes the office of our Ethics Commissioner.

Thank you.

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

MS BLAKEMAN: Thanks very much, Mr. Speaker. I'm really pleased to be able to speak to the first of the Official Opposition's private members' bills being introduced in this spring session of 2001. Specifically, that's Bill 206, Regional Health Authorities Conflicts of Interest Act.

Now, this legislation applies comprehensive and uniform conflict of interest rules to all regional health authorities, board members, and employees, as well as to the contractors and independent health service providers that have a contractual relationship with a regional health authority. I think this legislation is important for a number of reasons, firstly because it addresses current and future conflicts of interest outlined by providing a conflict of interest definition and a mechanism by which conflicts of interest can be investigated. The bill also requires that reoccurring or ongoing conflicts must result in either the termination of the relationship with the RHA or the divestiture of the asset causing the conflict. We certainly have examples, which I'll come back to later, that give rise to the need for that.

Secondly, we're looking at Bill 206 applying a uniform standard. A number of the other members have commented on how there are two or three or four or five different ways already in place where conflict of interest could be perceived. But that is two or three or four or five different methods in different levels of government, different agencies in the community where someone is supposed to fumble around and figure out which one applies to them, or maybe they can just pick the one they like the best and decide that it applies to them.

3:20

Bill 206 is providing a uniform standard of conflict of interest rules for all regional health authorities, and that's an important point because right now we have checkerboarding in place. Each regional health authority can decide on its own conflict of interest regulations. So if you're in one area and you don't like the conflict of interest rules, well, go to another one, because the next-door RHA may well have a set of conflict of interest rules that you like better, which really allows people to sort of shop around, go conflict of interest shopping to find which one you like best.

I think it's important with something as vital to Albertans as the delivery of health care services that we have legislation that overrides them all. We don't have a health act that in fact is 17 different health acts. We have one health act that's overriding for provision of health care throughout Alberta. Ideally, you are attempting to provide the same kind of health care in any outlet for it. That's not, strictly speaking, always possible. Obviously in a full service hospital you get different things than in a walk-in med clinic. But the idea is there, that we have one overriding goal and legislation to provide health care services in Alberta, and I think we need to have one overriding conflict of interest act that covers all regional health authorities in the province.

So the first is that it does provide a definition of conflict of interest and a mechanism by which this can be investigated. Two, it provides a uniform standard for all regional health authorities. Three is about restoring public confidence in Alberta's health care system. Any kind of perceived inequity I think is going to be damaging to the health care providers, certainly to the regional health authorities, even to the legislators. It damages all of us if there is a weakening of belief in the system, and conflict of interest I think is quite integral to Albertans' belief in our system.

A number of members who've spoken previously have mentioned that there were already these various other levels of conflict of interest regulations in place. I think it's important to point out that none of those is as strong as what's being proposed in Bill 206. They're addressing different components of it, but even together, even if you took all different levels and put them together, we would not be successful in making it as strong as what's being put forward in Bill 206.

One of the members did bring up – and I think it's important to underline it – that we need to get these conflict of interest regulations in place prior to the elections of regional health authority members in conjunction with the October municipal elections. I think it's important that people that are considering running for these positions know what they're getting into before the fact.

There's one particular incident that was before the courts, is now completed by the courts, and has been discussed in this House a number of times, which is the Jaber case. That's involving conflict of interest, and it keeps coming up. Constituents keep asking about it. People are really concerned when they perceive that there is a conflict of interest out there. So it's important that we put this in context and try and provide the very best that we can for Albertans.

Now, I find it interesting why there is such resistance on the part of government and government backbenchers to doing something that's better than what we have. But that seems to be what's going on: no, no, no; we like our sort of patchwork; we like our different multilevel ones. Why the resistance to doing something right, to doing something well, to setting the bar high? I thought that as Albertans we wanted the best, so why on earth wouldn't we want the best conflict of interest legislation possible? But no, no, no. What I'm hearing is no, no, no; we don't want the best conflict of interest legislation possible; please, no, we don't want to go there. So why the insistence on the status quo? I find that really interesting, and I invite those other members that are, I'm sure, going to be speaking to this bill to explain that to me, why there's an insistence on being second or third best here. I'd be interested in hearing that.

The government finds questions on conflict regarding the Calgary RHA as tiresome, but I don't think Albertans regard it that way. I think that for Albertans perception and actuality of fairness is really important. They want to know that nobody is getting a better deal or getting something that is not available to others because of that first person's position, and that's what we are trying to address in Bill 206.

[The Deputy Speaker in the chair]

Albertans also don't like overregulation. You know, there are these interesting sort of Orwellian flips that this government gets involved in, where they will stand up with one piece of legislation and talk about, "Well, we want to simplify things; we want to sweep away everything else and just have one set of rules here," and then they get up and protest a bill that's proposing to do exactly that, to put forward one clear set of conflict of interest rules which overrides all of these other various levels in various divisions that are in existence now. So here's an example of where the government is

struggling mightily to maintain a multilayered, fractured set of conflict of interest regulations that frankly are very difficult to wade through and confusing. I mean, I heard government members list at least three different schemes by which conflict of interest could be determined. Why don't we make that simpler? Let's make it one, and let's make it the best. Let's set the bar absolutely high and do the best we can here on behalf of all Albertans.

I was interested also to hear about how we should be delegating the obligation for conflict of interest to the professional organizations. Well, we don't do that in any other area. Why on earth would we choose the health industry, that most precious of our public social programs, to do a test-drive on this one? What the professional organizations' codes of ethics are about is their members' conduct in relation to patients. So if we're talking about the nurses, the doctors, other health care workers, it's about their conduct with their patients. It is not about delivery of the system as a whole. So why on earth would the government decide they're going to throw that one into the pot too?

Now we'll have 17 individual RHAs' conflict of interest rules. We'll have some conflict of interest rules from the department itself. Let's throw in the minister's ability to make regulations through cabinet, to make additional rules that people – oh, wait. Let's throw in the professional organizations too. Let's make them do it as well without even looking at what is the real purpose of that professional organization. So talk about interfering in the way other people do business; that's a prime example of that one.

Now, I think with conflict of interest what we are most interested in is that the rules need to have three parts to it. One is the legal principles of the fiduciary trust; two, the rule of law; and three, fairness. Fiduciary trust is referring to the responsibility of public officials to act on behalf of and in the best interests of the public. The rule of law argues that democratic society needs unbiased judges and administrators who provide impartial decisions. If public officials exercise . . .

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

3:30

head: **Motions Other than Government Motions**

### **Electricity Deregulation**

503. Dr. Nicol moved:

Be it resolved that the Legislative Assembly urge the government to prepare annually a detailed cost-benefit analysis of the impact of electricity deregulation on the utility bills on all classes of customers in Alberta which must be released to the public.

[Debate adjourned May 8: Mr. MacDonald speaking]

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

MR. CAO: Thank you, Mr. Speaker, for the opportunity to speak on Motion 503, as proposed by the hon. Member for Lethbridge-East. Before speaking specifically about the motion itself, I want to emphasize that the whole idea or the principle of deregulation is about finding the natural dynamic balance between supply and demand.

Going back to the motion as proposed, an annual cost-benefit analysis of the impact of electricity deregulation on the utility bills of all Albertans, being a fan of economic studies, I commend the hon. member for the notion of a cost-benefit analysis. This sort of analysis can be very helpful when considering certain issues.

However, I do not think this sort of a report would really capture what is happening with deregulation across Alberta.

What Motion 503 basically proposes is taking a once a year snapshot of the entire ongoing process of deregulation and then comparing that to a series of guesses of what might have happened in the same time frame in the regulated system. Mr. Speaker, would this analysis be able to show the advantage to the marketplace with increased choice for consumers? Would it demonstrate the impact of improved services as a result of competition, or would it show the benefits of increased usage of alternative energy sources? What about the increased use of environmentally friendly generation like wind and solar power? Can it really calculate the benefit to our environment? I don't think it would.

I'm concerned that such an annual analysis based on a series of assumptions would also miss the big picture of the entire deregulation process. The big picture is that Alberta's utilities market is still in a period of transition from being closed and regulated to being open and competitive. New players are entering the market. Current players are retooling operations and repositioning to compete more effectively and efficiently, and consumers are preparing to weigh their options over which provider might be best suited to meet their particular needs.

An annual cost-benefit analysis could not capture this momentous shift, Mr. Speaker. It could not give a proper account of the metamorphosis and all the intangible aspects of deregulation. This report could not show Albertans how deregulation is gradually reshaping the province's utilities, industries, and marketplace.

When this government first introduced the Electric Utilities Act in 1985, it marked the province's departure down the open road to a competitive utility market. The act was not meant to have an overnight impact on Alberta's utility market. The act was a long-term strategy to eventually achieve a market-driven utility industry. This system brings the benefits of competition to customers by providing them with choice over their retail supplier of power, the types of services they receive, and how they participate in the market. As more suppliers come on-line, competition for consumers will increase, and that will work to bring prices down over the long term. This is the process that began with the Electric Utilities Act and was furthered with the introduction of the Electric Utilities Amendment Act.

As I said before, competitive marketplaces do not unfold overnight. Mr. Speaker, the one that will benefit Albertans is emerging even as we speak. It is this new and open setting that will become more and more competitive, and that will mean more choices for Albertans. That is the long-term goal of this government.

There are other benefits to deregulation, Mr. Speaker. The new electric industry structure will help open up markets for green power and renewable energy sources. Wind power, small hydro, landfill gas, and biomass sources will have an equal opportunity in the new generation market. Consumers will have the chance to choose from a green power package that includes power from solar-powered wind generation.

In addition, the new deregulated electrical industry structure is expected to bring other environmental benefits to the province. The new structure encourages cogeneration at industrial plants, and this tends to reduce the overall amount of fossil fuels that are burned to generate electricity throughout Alberta.

Mr. Speaker, by reducing our use of fossil fuels, we are also reducing our greenhouse gas emissions and providing Albertans with cleaner air to breathe. This kind of power is very much the way of the future. The deregulation of the utilities market in Alberta is encouraging that growth of green power. As more providers of green power enter the marketplace, they will be among the cutting



edge of environmentally friendly power generation. Alberta entrepreneurs who have learned the ropes of competing in an open market with green power in Alberta will be ideally positioned to compete in a steady stream of jurisdictions across Canada and around the world that are moving towards deregulation.

Mr. Speaker, in fact, in my Calgary constituency an electricity consumer can subscribe with utility suppliers to buy green power. There are environmentally conscious consumers who do just that happily, even at a higher premium rate. Albertans are very smart. I disagree with any notion that underestimates Albertans' knowledge and understanding. When it comes to their quality of life and benefits, Albertans do not just focus on a dollar-and-cents comparison of their utility bills.

This government has made a commitment to preserving our environment for future generations of Albertans. Deregulation not only benefits the provincial consumer, but it encourages the development of generation of more environmentally friendly power. Giving green power producers a foothold in this new market shows the government's commitment to preserving our beautiful province's environment. Rest assured, Mr. Speaker, that this government will continue to promote the use of green power to the benefit of all Albertans.

There is one thing that a cost-benefit analysis would reveal to be the same in a regulated and deregulated Alberta. Regulations still exist in regards to transmission of power and the utility companies that own the high-voltage lines that bind the grid together. Obviously, Mr. Speaker, as new generation comes on-line, our existing grid will have to have the transmission capacity to deal with it. The government will work with the Alberta Energy and Utilities Board and the utility companies to ensure that Albertans receive the power they require.

Mr. Speaker, the yearly cost-benefit analysis proposed by Motion 503 would not do justice to the ongoing evolution of Alberta's utility market. Such an analysis would provide a shortsighted view of the impact on the industry and on Albertans. Deregulation is an evolving process that cannot be revealed by a yearly snapshot for comparison.

3:40

But my question is about the comparison itself. To compare what with what and what for? Scientifically speaking, we can only compare reliably one existing thing with another existing thing in the same environmental condition. Economically a comparison without the capability to make change is a resource-consuming and wasteful exercise. I do not want to exaggerate here, but I wonder if this kind of comparison is like an exercise to compare the ways of the dinosaurs with the ways of the nimble creatures of today.

I acknowledge the good intention of the hon. Member for Lethbridge-East. However, considering the practicality and the usefulness, I urge all members of this Assembly to vote against Motion 503.

Thank you, Mr. Speaker.

[Motion Other than Government Motion 503 lost]

### **Prosperity Dividend**

504. Mr. Yankowsky moved:

Be it resolved that the Legislative Assembly urge the government to investigate the possibility of creating a prosperity dividend payable to all Alberta residents that is similar to the Alaska permanent fund dividend program.

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

MR. YANKOWSKY: Thank you, Mr. Speaker. It is indeed my pleasure to rise to introduce Motion 504 this afternoon, which advocates that the government consider a sound option in managing surplus revenue responsibly. Motion 504 urges the government to explore the possibility of implementing a dividend fund similar to the Alaska permanent fund. Learning from Alaska's successes and errors in managing their surplus revenue will help us manage our funds wisely in the emerging era of prosperity.

Mr. Speaker, the state of Alaska has implemented a fund of surplus resource revenue which pays direct dividends to all its residents. Their fund, the Alaska permanent fund, or APF, has been very successful and holds assets of more than \$42 billion Canadian. Every year the fund distributes earnings from its diverse investments, and just last year each Alaskan received more than \$3,000 Canadian.

The dividend can be collected by anyone declaring their primary residence to be Alaska, demonstrating residency, and not having served a criminal sentence over the year of application. Children, with the sponsorship of their parent or guardian, can also apply and receive the same dividend as permanent Alaska residents.

The resource revenue placed into the principal of the fund cannot be withdrawn without the consent of the majority of voters, and none of the resource revenue placed into the fund is paid out in dividends. All of the money paid to Alaskans comes from earnings on investments purchased with resource revenues on an ongoing basis.

In this way, growth of the fund is sustainable and quite amazing really. It is no wonder that Alaskans are so proud. The sound investment of resource revenue has achieved and maintained for Alaskans a sustainable return on their investment. Because the Alaska permanent fund was established in 1976 and allowed to grow and prosper through the good times, the fund continues to serve all Alaskans in spite of their declining resource revenues. By sending dividends straight to all Alaskans, including children of all ages, the program is not only a way to fairly distribute resource earnings to current and future generations. It will act as a source of income long after revenues from oil and gas are exhausted.

There are several advantages to the APF. The fund achieves its three goals of providing an annual dividend to Alaskans, providing revenue for program spending, and achieving constant growth. It is a distinct advantage of the APF that it is designed to only pay out half of its yearly earnings on the principal. When the interest from each year is allowed to continually compound itself, along with the annual contributions from the oil and gas revenue the fund can grow at an amazing rate.

Another advantage of the Alaskan model is that it pays dividends to all of its residents. Alaskans take great pride in their fund, and this income raises everyone's standard of living. Even the children are given the dividend through a parent or guardian, as we all know that raising children can be very costly. This equitable distribution enables families to grow and prosper in Alaska regardless of their background or income aside from the dividend.

Along with paying dividends, the fund also contributes to Alaska's general revenue. This income has allowed the state Legislature to eliminate several taxes. This is done through an appropriation of undistributed earnings. Last year alone \$1.23 billion of surplus earnings were spent on government programs and services. When we consider that the population of Alaska is less than that of Calgary, it is truly amazing that they have built a fund of such strength and potential.

This fund has served Alaskans extremely well. Although the current payment is relatively modest, just over \$3,000 Canadian, that dividend will continue to grow regardless of future resource revenue being put into the fund. The dividend paid out to Alaskans has grown fivefold since 1986 mostly due to resource revenues added

annually but also because of outstanding returns on investment. On average over the past five years the dividend has grown by 9 percent each year. According to that growth rate the dividend doubles every eight years. If this rate of growth is maintained, the fund will be able to supplant the average income of an Alaskan before the year 2040. That, Mr. Speaker, is a very conservative estimate that accommodates for inflation. The fund has a value of just over \$35,000 per Alaskan resident and has earned over \$20 billion over the life of the fund.

Mr. Speaker, Alberta would have equally good fortune through implementing a dividend fund. Alberta has a proven track record in the sound and productive management of the Alberta heritage savings trust fund, and it goes to reason that we would experience similar success with a dividend type of fund. For the sake of future generations we must consider setting aside resource revenue and providing Albertans with an asset that will do much more for them than depreciate or require maintenance, as would a building, a bridge, or a road.

The Alberta heritage savings trust fund was founded in 1976 as it was determined by the government of that day that some amount of oil revenue should be set aside for future generations. We have profited greatly from the fiscal prudence. The Alberta heritage savings trust fund has provided over \$20 billion to scholarships and research grants as well as to government programs and services. This contribution is a legacy of the assets saved in the wealthy days of the 1970s energy crisis when oil was more than \$40 per barrel. It is important to note that \$40 is in nominal terms; inflation adjusted, we would be looking at \$180 a barrel oil in today's dollars.

3:50

Although oil is not nearly as valuable today, we again find ourselves flush with resource revenue. Clearly this is because of the fiscal discretion of this government, but in any case, a standard and stable mechanism of returning resource royalties back to their rightful owners, Albertans, is the next logical step.

There are many benefits to a prosperity dividend, and I think it's extremely important that the government consider the Alaska permanent fund as a model of investing surplus revenue. Through a permanent fund we would be investing in the infrastructure of the future and in the lives of future generations of Albertans. Revenue must be spent very wisely indeed, or we will be abandoning the trust which Albertans have in us. I would submit, Mr. Speaker, that it is possible through a permanent fund to both reduce taxes and provide a dividend to all Albertans in a sustainable fashion.

I support the commitment we have shown in promoting the growth of the provincial economy through lowering personal and corporate income tax. These actions have brought new investment as well as new talent into the province. However, Mr. Speaker, investment into the economy of today should be balanced with consideration for the future. The Alaska fund model would provide a sustainable solution and ensure that our surplus in future years is not squandered on spending that is not cost-effective.

I certainly want to leave a legacy to my grandchildren and their grandchildren, as everyone would like to leave a legacy to their grandchildren and to their grandchildren. While our governments in this country and abroad are burdening their future generations through deficit budgeting, I would propose that this government do the very opposite. Setting aside resource revenue into a fund that will work for Albertans and not fade away would establish a legacy for all the people of Alberta to take great pride of ownership in. I know that it is an initiative that Albertans will fully support.

Alberta is a leading economy in Canada and all of North America and has grown at a pace of 4.6 percent per year over the past five

years. This growth is truly staggering. If we can maintain our growth on average at just 4 percent per year, the size of our economy will double in 18 years. If the prices of gas and oil stay high, it is a strong possibility that the size of our economy will double in just 15 years. With such outstanding prospects for continued prosperity in Alberta we should form a sound and responsible way to manage our surplus revenues after we retire our debt.

The strongest point in favour of a permanent dividend fund for Alberta is that it allows us to take our time in evaluating the direction of the province. Instead of spending excess revenue just because it's there, we can save the money until a time when it is needed. This government has held the firm policy that spending should not be for the sake of itself but rather to answer an express need. A dividend fund would be a method of saving unexpected revenue for the future, providing income to the province for programs and services, and then providing resource dividends to Albertans.

The Alaska permanent fund does have some drawbacks, and these should be considered if Alberta is going to construct a similar dividend fund. Motion 504 does not propose that we investigate the possibility of creating an exact duplicate of the Alaskan model but that we create a made-in-Alberta solution to manage our prosperity. Mr. Speaker, what I am suggesting is that we establish a dividend fund so that we can manage Alberta's growth and prosperity with stability and a greater degree of predictability.

In closing, I want to say that resources will run out. They are by definition nonrenewable. Motion 504 proposes that we at least consider the possibility that a portion of our current revenues be converted into assets that are renewable and will continue to provide the province with prosperity for many years to come.

I urge everyone in this Assembly to support Motion 504.

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

**MS CARLSON:** Thank you, Mr. Speaker. I take this opportunity to speak to this motion, an Alberta fiscal dividend program. I listened intently to what the sponsor of the motion had to say and was quite interested to see that he brought forward a motion that is a sit-on-the-fence motion, and he supported that with his remarks. What this motion does is simply "urge the government to investigate the possibility of creating." It doesn't actually advocate or push for one.

In the first part of his comments he talked about pushing for a model like the Alaska model, but in the last half of his comments he stated that he also wanted to support lower taxes. It's a little tough to have both, Mr. Speaker, so it would be nice to know exactly where this member sits on this issue.

Of course, the major downfall with the Alaska model is that with dwindling oil revenues, the amount of the dividend gets reduced. When we take a look at Alberta, where dwindling oil revenues are also the case, then we see a potential problem in terms of cash flow. Certainly we support any possibility of how we can better manage our funds and resources, and we've brought forward some options here.

It's our position that if the Alberta heritage savings trust fund were bolstered with excess oil and gas revenues and not dividended out at this time and not syphoned off into general revenue funds, as it's currently being done, if we built that fund up to about \$30 billion, which wouldn't take very much time at the current rate of production, then we would be in a position where we truly could do what this member says he wants, which is to protect future generations. That would be by completely eliminating personal income tax in this province. You can build the fund up to an amount of money where the interest revenue off that could go into the general revenue

fund, and we could completely eliminate personal taxes, which is really the best stimulator to the economy and the best rebate back to Albertans, not for just this generation and the next one but for many decades to come. The best way to do that is to immediately stop syphoning funds off the heritage savings trust fund, to not go to any kind of a dividend plan but to take the surplus revenues we have, while we have them, and build that fund up.

Mr. Speaker, with those comments we will not be supporting this motion.

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

MR. McCLELLAND: Thank you very much, Mr. Speaker. How many people and how many Legislatures in the world would love to be debating something like this? I mean, can you imagine? It's not every day that Legislatures are debating: what do we do when we've got our debt paid off? How do we go about investing or divesting ourselves of the excess funds in our Treasury without creating some of the problems that people with excess funds are bound to have, like jealousy, like overheating local markets, like overspending, setting up a legacy of spending that can't be sustained? We all know that sooner or later the well is going to run dry and we're not going to have these windfall profits, which we have been blessed with through some good management but mostly good luck. I think we all recognize that.

Certainly, I'm sure the majority of the members in this Legislature recognize the fact that we have a responsibility to future generations and that we have to carefully consider the decisions that are made. Although it is a nice problem to have, it's still a problem. When the debt is paid and when we have the opportunity to reinvest the profits that come from our resource well, we're going to have to be very, very careful, Mr. Speaker. We don't want to create a honey pot that's going to attract every fly in the world. We don't want to create a honey pot that's going to create and attract the enmity of other levels of government that might be tempted to take their hands from their pockets and put them in our pockets. [interjections] I hear other members saying: who would do that? Well, I think the who that would do that are probably located about 1,700 kilometres east of here, and we would be wise to keep that in mind.

4:00

Part of the debate in the Future Summit is going to be: what do we do, and how do we reinvest our resources? As members know, the Alberta heritage savings trust fund, the anniversary of which is being celebrated this year, was our attempt in 1976 to address essentially the same problem. The Alberta heritage savings trust fund, as I recall, did provide for the Legislature to have a fund that we could put excess revenues into. It also, as members will recall, had the very negative effect of making Alberta a target of other orders of government. I think that probably led to the national energy program, and it led to a real schism in the relationship between Alberta and the central government. So we've got a difficult management problem ahead of us, a nice management problem but still a difficult management problem.

The intent of this motion is to say: well, if we're fortunate enough to have these resources, the bulk of the money should be dispersed to Albertans to be invested by Albertans individually. I think underlying that premise is the fact that most people assume that individuals are able to invest or to utilize money more efficiently and more effectively and more pragmatically than governments are able to do on their behalf. I think also underlying the premise of this motion is that we philosophically – and when I say “we philosophi-

cally,” I'm speaking of those of us on this side of the House – believe that government should have as little to do with managing the economy as possible, and that includes managing the excess resources, that we should give that responsibility to individual citizens, who should be able to make those decisions wisely in their own interest, understanding that a good portion of it as well stays in the common pot for the common good down the road.

It's a combination of trying to get the best of both worlds and at the same time not having a situation where we in Alberta are disproportionately better off than other Canadians, which then could have the potential to create divisions and enmity, that we just don't want to see and don't want to see again. So the underlying premise of this motion I think is very laudable, and I would recommend that others join in this debate to give their considered opinion as to how and what we should do with this resource wealth that we're blessed with.

The Future Summit to begin next fall certainly is going to centre on this issue, but we don't want to get to the Future Summit without having given some thought to a position to bring to the table. To my knowledge this is the first real effort that has been made to deal with the resource revenue that will be available to Albertans and to governments of Alberta after the debt has been paid off.

Now, the motion as presented is:

Be it resolved that the Legislative Assembly urge the government to investigate the possibility of creating a prosperity dividend payable to all Alberta residents that is similar to the Alaska permanent fund dividend program.

Alaska's permanent fund dividend has had some comment here already today, and there are pros and cons to that fund. Over the last 25 years or so that it has been in effect we've had the opportunity to learn from what they have done right and what perhaps what they have done wrong. I would like to move an amendment to the motion so as to make it less closely attached to the Alaska permanent fund dividend. So, Mr. Speaker, I'd like to make the following amendment.

THE DEPUTY SPEAKER: Do we have copies?

MR. McCLELLAND: I have the amendment, but we do not yet have the copies. Just a second. I'll ask the page to make copies. Mr. Speaker, may I have your guidance on this. We need five copies?

THE DEPUTY SPEAKER: We theoretically need 83 and then five for the office, including the original signed one. Normally if you had enough to give everyone a copy, that would be okay, but we still need five for the table, including the original signed one.

MR. McCLELLAND: All right.

Mr. Speaker, your guidance again. So I sign the amendment, get the copies made and distribute the signed copies, and then give the chair the original. Is that correct?

THE DEPUTY SPEAKER: Essentially. When I say signed, it's not only the mover that signed it, but also Parliamentary Counsel has signed it, presumably.

MR. McCLELLAND: Thank you very much, Mr. Speaker. I appreciate your bearing with me here.

We'll make the amendment as soon as we get the necessary copies to distribute, which does, then, give me a bit more time to extol the virtues of this very timely and worthy private member's motion.

For those that are listening in on the web, I do want to draw the distinction between a private member's motion and a private

member's bill. A motion doesn't hold the government to a specific course of action, and that's what this is. It's a motion which merely asks the government to consider. Once the provincial debt is eliminated, if oil and gas prices remain high, there could be an opportunity to return a portion of resource revenue to Albertans. A dividend fund similar to the Alaska permanent fund would allow Alberta to invest surplus resource revenue and distribute the fund's earnings to Albertans in times of high and low resource prices and production.

I point out that it is our intention to move an amendment to strike out that which indicates that it would be similar to the Alaska permanent fund. Just for further clarification, all we want to do is to get the debate on the floor.

In recent years Alberta's provincial debt has been substantially reduced by applying larger than expected oil and gas revenues. In the 1998-1999 fiscal year the government surplus equaled \$1.103 billion, and in the 1999-2000 fiscal year the government surplus equaled \$2.802 billion. The record debt repayment of \$4.5 billion in 2000-2001 reduced the debt to \$8 billion. That's the accumulated debt, and coincidentally the \$8 billion is the approximate value of this year's projected surplus, which provides the possibility of Alberta being debt free by the beginning of the 2002 fiscal year.

4:10

There are, of course, considerations on the other side of the table, because there are those who feel that it may not be best to establish a fund such as this. It may not be in the best interests of the province, especially if it were modeled exactly after the Alaska permanent fund, because the Alaska permanent fund is inflexible, as earnings from the fund can only be used for dividend payments. It can't be drawn down to finance expenditures on people's priority programs like health care or education. [interjection] Well, we just can't do it. We want more flexibility.

Investing Albertans' money on their behalf for future consideration distorts the free market economy, and it takes away individuals' rights to manage their finances and risk.

I've been informed that the amendments are here. They're being distributed. I'll need one to move the amendment, so I'll just wait until it gets distributed to me.

The strength, of course, is that by creating a prosperity dividend fund now while resource revenues are high, as is assumed under Motion 504, that would supply Albertans direct and lasting benefit independent of future resource prices. Motion 504 would maximize the value of Alberta's resource revenues through prudent long-term investment and produce income to the benefit of all generations of Albertans. A savings fund acts as a hedge against the boom and bust cycle of the energy industry.

So these are all considerations that need to be brought to the table, need to be considered, and this certainly is the forum to do so so that when we arrive at the growth summit, we will have a firm foundation in this area from which to proceed.

So, Mr. Speaker, now, hopefully, we've done this correctly, and I move the following amendment, that the original motion be amended, the original motion which reads:

Be it resolved that the Legislative Assembly urge the government to investigate the possibility of creating a prosperity dividend payable to all Alberta residents that is similar to the Alaska permanent fund dividend program.

I move that that motion be amended by striking out all of the words that follow "Alberta residents," being "that is similar to Alaska's permanent fund dividend."

Mr. Speaker, I will seek the guidance of the chair once again. The notice of amendment which has been circulated includes the words "that is," and the amendment was to strike out the words following

"Alberta residents" but don't include "that is." So I would ask the advice of the chair.

THE DEPUTY SPEAKER: The advice of the chair would be that if that's your intent in your motion, "that is similar to the Alaska" is removed there, and what you have at the end of the present Motion 504 is "to all Alberta residents."

MR. McCLELLAND: Thank you very much, Mr. Speaker. All right. So then I have made that motion, and with that, I would invite others to join the debate on the amendment.

[Motion Other than Government Motion 504 as amended carried]

THE CLERK: Motions Other than Government Motions. Motion 505. Mr. Herard.

THE DEPUTY SPEAKER: Is the Assembly willing to give unanimous consent to move to the next item of business?

[Unanimous consent denied]

### Palliative Care

506. Ms Kryczka moved:

Be it resolved that the Legislative Assembly urge the government to identify palliative care as a core service in each regional health authority to ensure the availability of a coordinated continuum of care and support services for end-of-life care with access to palliative community services (palliative home and hospice care), acute care, consultation services for physicians, staff, and patients, and tertiary care.

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

MS KRYCZKA: Yes, Mr. Speaker. I'm very pleased to speak today to my motion on palliative care. As I don't have any formal documentation in front of me, I will do my best to speak to the topic. Actually, in preparation for this motion, which has been described by a board member from one of the regional health authorities as not being a sexy topic, such as cardiovascular surgery is, I would like to start off my speech today by saying that we should all be interested in palliative care because we will all die. Not all of us will be impacted by heart problems, but end-of-life issues are what this motion is all about and the role of the Alberta government in this issue.

I'm very proud to say that in the health care system that we have today, we've certainly given due attention to beginning-of-life issues, and that is very important. This government has and is very recently addressing the need for proper continuum of care for the aging population, and that is certainly not an easy task. I feel that since I've been in the Legislature, since 1997, definite progress has been made, but I think that what we really have to keep in mind with many decisions that government makes now and in the future is the fact that we do have an aging population.

4:20

The implications of an aging population are many. To start with, we know that the numbers are going to increase. For people who like to work with numbers and facts, I would like you to just focus for a moment on the fact that 10 percent of Alberta's population now are seniors, and in 20 to 30 years it'll be anywhere from 20 to 25 percent of our population. That is very much of a significant increase.

For me and the work I have been doing and I hope will continue to do certainly in this term, it will be to urge the government to move in the direction of accommodating so many more seniors in the future. I think that if we definitely take the position of planning toward the future, there will be some things happening in this next term and, I hope, in future terms that will advance us so we are ready when, for instance, 20 to 25 percent of our population are seniors.

It is easy for us to put off today and say: well, you know, that's tomorrow. I mean, we do that in our lives all the time; right? Procrastination is easy to do, and this is not really staring us hard in the face today. But, I will recall, for instance, 10 years ago – I can hardly believe it was 10 years ago – when I met my present husband.

[Mr. Shariff in the chair]

MR. KLAPSTEIN: You're lucky you remember.

MS KRYCZKA: Yes, and I am lucky that I do remember those days. My time may come when I may not remember those days.

MR. KLAPSTEIN: Well, then you'll need palliative care.

MS KRYCZKA: The hon. Member for Leduc is trying to suggest that I'll need palliative care, but I hope that I will have many more years of remembering and healthy living before I will need palliative care. Now I must be serious about this topic because my message is really a very serious one.

In the time that I have, I would like to really summarize what my research has found to date. Actually, palliative care has been addressed and defined as a core service back to 1993 in the Department of Health and Wellness. I would urge the minister, though, to actively support the government taking the leadership role in what is already evolving in the province as core service but to embellish the definition of what core service really means, an active definition, an updated one. Although the document that I did read back in 1993 is an excellent document – and many people from regional health authorities agree that it is – my suggestion would be that this is not really a today, living document, since we have really defined the urgency of looking after our aging population especially into their longer, frailer years.

What I'm going to try and describe to you as best I can is what I have found in my active research with regional health authorities. The larger regional health authorities, meaning the Calgary regional health authority and Capital health authority – and there are others that are smaller – are really to be commended for playing within each region a leadership role in envisioning what palliative care looks like. They are moving in a direction, and they have got what I would like to repeat is a vision. The smaller regions actually are coming aboard and being part of this vision, but if you live in a rural community and you find that geographically your health care resources are very sparse, the vision has to be more than just regional, and there has to be a team approach.

Definitely one of the key pluses in doing research is that the regional health authorities are talking to each other in this whole area of palliative care, and there are certain levels of agreement. We talk about team work, and again I'm pleased to see that it's happening. I thought there was more of perhaps a territorialism that existed between the regional health authorities but certainly not evidenced at all in this area.

With the movement to community care, we know that people are definitely saying that they want to age in place, in their own home, whether that be a house on a residential street or it be in a long-term care centre or it may be anything in between in terms of types of

living models. Actually, more and more people are saying they really would prefer not to spend their remaining time in a long-term care facility. They want to be at home with caregivers, with home care support, but it's not as easy to implement these wishes.

So what's happening, as I found out, if I were to quote from either Edmonton or Calgary regional health authorities: there is a real team situation that exists where there are many specialists that are trained in geriatric care, and their job is to go out and first of all train and then offer support to GPs that are out at the community level, to nurses at that level, to families. So it's really more of a holistic direction that we're headed into. I guess what I would say is that I would have to give them a huge amount of credit for the work they have done to date. I've said they have a vision. They have a goal. It is not only these two large authorities that have taken the initiative.

[Mr. Speaker in the chair]

In a way it's an easy job for government to just come in and acknowledge what is there, but we need to work with them saying: you know, as government we support this. Maybe in terms of dollars they will come ultimately and ask for support, but I don't think that is really all that is necessary. I think acknowledgment first of all of what is happening. That can happen through individual MLAs; that can happen through the minister of health. I would look first to the minister of health to become more involved and knowledgeable in what is going on. As I said earlier at the beginning of my comments today, it is not . . .

THE SPEAKER: Excuse me, hon. member. I hate to interrupt, but the time allocation for this matter of business has now left us.

4:30

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

### **Bill 8**

#### **Alberta Corporate Tax Amendment Act, 2001**

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

MR. McCLELLAND: Thank you very much, Mr. Speaker. I rise today to move second reading of Bill 8, 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. These are the first steps in this government's aggressive business tax reduction plan. 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.

The specific changes to corporate income tax rates effective April 1, 2001, are that the general rate is reduced from 15.5 percent to 13.5 percent, the manufacturing and processing rate is reduced from 14.5 to 13.5 percent, the small business rate is reduced to 5 percent, the amount of income eligible for the small business deduction is increased from \$200,000 to \$300,000, the capital tax on financial institutions is eliminated, and the capital taxes paid to other provinces are not deductible for taxation years beginning after April 1, 2001. The business tax plan also announced further tax reduction steps. These will be implemented in future years in future bills, based on affordability.

The main components of amendments introduced as Bill 22 last year and being reintroduced in this bill are the introduction of rules

to prevent tax avoidance transactions, some elaborate scheme called the Quebec shuffle, and again amendments which result from paralleling changes made to the federal act, which we generally try to keep in sync with, a course of action which benefits taxpayers and our tax administration by keeping things as simple as taxes can be kept simple.

Planned amendments to the Alberta royalty tax credit program, the ARTC program, will not proceed at this time. I will be bringing in an amendment during Committee of the Whole to address this.

Finally, there are a number of sections meant to close a tax avoidance loophole. The loophole results from the ability to elect differing amounts for Alberta, Ontario, Quebec, and federal tax purposes because the three provinces administer their own corporate income tax. The scheme is quite complex but basically involves using relieving provisions intended to permit a tax deferral to completely eliminate provincial capital gains tax. Ontario and Quebec have fixed their legislation, and we're now doing ours.

Again, Mr. Speaker, this bill is mostly about cutting corporate taxes. When our plan is fully implemented, businesses large and small will pay about half the tax they do today. I see members of the New Democratic and the Liberal parties raising their arms in glee.

MS CARLSON: No.

MR. McCLELLAND: That is not glee? That is angst? I'm sorry. I thought it was glee.

Bill 8 will help ensure Alberta businesses remain in a strong position not only nationally but also on the world stage. Making it easier for businesses to invest and operate in the province helps strengthen our economy, create jobs, and make Alberta attractive to outside investors.

Thank you, Mr. Speaker.

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

MS CARLSON: Thank you, Mr. Speaker. Happy to have a chance to respond at second reading to Bill 8, the Alberta Corporate Tax Amendment Act, 2001. In general, we support this particular bill. It looks to me like mostly housekeeping, bringing in line recommendations made by the Alberta Tax Review Committee, the Alberta royalty tax credit program. We see some issues related to the tax-deferred disposition of property, eliminating capital tax, and paralleling some amendments with federal legislation.

We do have a few concerns, so we'd like to put those on the record. Hopefully, we can get the questions answered when it gets to committee so that we can see a fairly speedy passage of this bill.

We believe that in general right now corporate tax rates and the manufacturing and processing rate are competitive with other provinces. We feel that it's more important for the business sector at this time to stabilize electricity and natural gas prices in the province so that businesses can operate profitably. There are lots of ways to ensure profitability that have nothing to do with tax cuts, as small businesses who often don't make any money know very well. They would like to have the opportunity to share in tax cuts, but first they have to be profitable, and increased electricity and natural gas prices are eating into those profits considerably. So we're seeing with this a decrease in taxes on the corporate side but on the personal side a shifting of more of the tax burden onto middle-income Albertans through the flat-tax scheme and also through user-fee charges. We continue to be concerned about those.

We support the decision to reduce the small business tax from 6 to ultimately 3 percent. It's been our position for many years. We've called for that reduction since 1994. In fact, it was one of the

very first policies that I worked on and asked to have implemented. It's taken this government over six years to act on our recommendation, but they did act on it, so we would like to thank them for that, Mr. Speaker. According to the CFIB, of the people employed in Alberta during 1998, 74 percent of businesses employed less than five people. So small businesses are a big deal, and we're happy to see some support for them.

In terms of the legislation that parallels changes to the Income Tax Act as set out under federal bills C-28 and C-72 with respect to the transfer pricing and the cost of tax shelter investments, the assessment and reassessment, and penalties there, it's good to see those parallel changes are going to be made.

We see here in this legislation that loopholes are closed that allow corporations to avoid paying provincial taxes by transferring assets to another province before disposing of the property. I think that's a small issue, but it's been a pretty significant loophole, so we're happy to see that happen.

Changes to the ARTC program result certainly in a more focused and effective program targeted at small and medium-sized producers. We've been a strong supporter of the ARTC because we realize that it offers significant tax policy stability to many sectors, to the energy sector, particularly small producers, so that's good. But we would like the minister to explain how these changes to the ARTC as outlined in Bill 8 will assist in addressing the concerns of the Auditor General about the government's failure to state specific goals, expected results, and the development of performance measures to evaluate the ARTC. So if they could address that. That would be the AG's report '91-92, pages 32 to 33.

We think that one way to measure the effectiveness would be to tie the credit to the level of reinvestment. Perhaps the minister could indicate whether the department's audit functions have the ability to do this. I think that's an excellent question that would be well addressed in committee.

We've asked for studies conducted on behalf of the government relative to the ARTC's impact on job creation and increased drilling activity. Perhaps the minister would now be willing to release those studies that benchmark the effectiveness of the ARTC.

We've been supporters forever of greater co-ordination in the area of tax collection in order to reduce the paperwork burden on the private sector and the elimination of duplication and overlap in the area of tax administration. Bill 8 goes some way in doing this. It's designed to reflect this objective with the federal amendments. We were not supporters of the province collecting their own tax and having separate tax returns there. We continue to reflect those concerns. Streamlining is a big deal, and cutting down on paperwork for a small business is also a very big deal, so we'd like to have that once again put on the record. I think we'd also like to know if the minister could indicate whether there are any plans to further harmonize the collection of corporate taxes as a means of reducing the compliance costs for industry.

With those questions, Mr. Speaker, we will rest our concerns on second reading.

4:40

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

MR. MASON: Thank you very much, Mr. Speaker. I'm pleased to rise to speak to Bill 8, which makes a number of changes to the corporate income tax regime in this province. Some of these changes are those that we can support, and others are those that we must oppose.

The first change that is supported by the New Democrats involves a reduction in the tax rate of small businesses and an increase in the

threshold at which businesses qualify for the small business rate. The first installment of a three-year plan to reduce the small business tax rate from 6 to 3 percent and to double the income threshold qualifying for the small business tax rate from \$200,000 to \$400,000 is something that we think may have a positive impact on small businesses.

We're pleased to support small business in this province. We are quite aware of the role of small business in the creation of jobs in this province. Most jobs that are created in this province are created by small business, and they also provide a means of making a living for a very significant number of Albertans who are the owners of small businesses. We think that these changes will be particularly helpful to smaller start-up businesses. The threshold to qualify for the lower rate has not been increased for many years, and even with the increase proposed, it's not at what we would consider a reasonable level.

There are some troubling aspects of the bill, to be sure, and those involve the major corporate tax changes which are being sought through Bill 8. It looks like the New Democrats will be the only party at this stage opposing this direction, and I think that's too bad. The government is proposing in this act a reduction on profitable large corporations from the current 15 and a half percent to 8 percent, virtually cutting their taxes in half. I know that's being cheered on the opposite side, but we wonder if the government has actually done any detailed evaluation of this in terms of what it will produce in terms of new investment, what it will produce in terms of new jobs, and what it will do to the province's finances in the long term, particularly if resource revenues do not remain at the same levels they are today.

We are concerned that the government is significantly eroding the tax base with which it has to meet the needs of Albertans, and they're doing so at a time of fiscal euphoria caused by high prices for natural gas.

MR. NORRIS: Caused by good management. Caused by outstanding management.

MR. MASON: Well, the hon. minister over there would like to take credit for the high oil prices that exist in this province. He would like to take credit for the high natural gas prices in this province in the same way that previous governments believed that the oil and gas was put in the ground for the benefit of Social Credit. Well, it just isn't so, Mr. Speaker. It's easy to be good managers in these kinds of conditions, and the government has not shown that they are good managers of the . . .

#### **Speaker's Ruling Decorum**

THE SPEAKER: Hon. members, right now recognized for participation in the Assembly is the hon. Member for Edmonton-Highlands. I would only be too happy to call on other hon. members to participate once the hon. Member for Edmonton-Highlands has concluded his remarks. So I look forward to a long speaking list.

#### **Debate Continued**

MR. MASON: Thank you very much, Mr. Speaker. You know, I know that my views don't accord with the hon. minister's. We've seen that. Nevertheless, my views do represent the view of a number of Albertans, and I appreciate the opportunity to put them forward here. The difficulty is that if the high energy prices are not sustained, this province could find itself in the unenviable situation of having to continue with its planned deep cuts in corporate taxes

and to make up the shortfall by increasing personal taxes or to cut spending further on important programs.

Corporations will benefit immensely from a healthy and well-educated workforce as well as from spending on public infrastructure like roads and highways. Asking them to pay their fair share towards sustaining these important programs is only fair and reasonable.

My final concern about Bill 8 involves the changes made to the Alberta royalty tax credit program. While a government news release issued upon first reading of Bill 8 claims that it is implementing the recommendations of the Alberta business tax review, it's not really accurate when it comes to the royalty tax credit program. The Business Tax Review Committee recommended that the royalty tax credit program be phased out. It doesn't involve the kind of tinkering around the edges that is being done through Bill 8.

The Business Tax Review Committee quite rightly points out that the royalty tax credit is a selective program and provides benefits to a specific industry, conventional oil and gas production. The program runs counter to the general approach of supporting broad-based low tax rates for all industries rather than targeted tax credits or other forms of government assistance: these aren't my words, Mr. Speaker. They're the words of the Business Tax Review Committee, which was commissioned by this government.

At a time of record high oil and gas prices there can no longer be any justification for keeping this corporate welfare holdover from the 1980s on the books. Let's simplify the corporate tax system and axe the royalty tax credit. On balance the changes to the corporate tax system contained, in our view, more bad elements than good elements. That's why the New Democrat opposition will not be supporting this bill at second reading. We believe that the long-term interests of the province are not served by massive tax cuts for the wealthiest corporations in this province.

Thank you, Mr. Speaker.

[Motion carried; Bill 8 read a second time]

#### **Bill 11**

#### **Employment Standards Amendment Act, 2001**

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

MRS. JABLONSKI: Thank you, Mr. Speaker. It is my great pleasure and honour to move second reading of Bill 11, the Employment Standards Amendment Act, 2001, on behalf of my colleague the Minister of Human Resources and Employment.

On February 7, 2001, the maternity and parental leave regulation came into force. It provides parents whose children were born or adopted on or after December 31, 2000, with up to one year of job-protected leave from the workplace. For many Alberta families this was great news. These changes were done by regulation because the government wanted to ensure that parents could inform their employers that they intended to access the new federal employment insurance benefits that also came into effect on December 31, 2000.

Mr. Speaker, Bill 11 does one thing and one thing only. It transfers Alberta's maternity and parental leave provisions from a regulation into the Employment Standards Code. Right now if Albertans look at the Employment Standards Code for the province's maternity and parental leave provisions, they cannot find them. Including these provisions in the code will give all Albertans greater clarity and assurance that their rights in the workplace are being protected.

Mr. Speaker, I would like to share with the Assembly some of the work that went into developing the maternity and parental leave regulation. Last December the minister struck a committee to

consult with Alberta employers, employees, unions, social advocacy groups, and parents. The committee heard from over 5,000 Albertans and held a one-day symposium before developing the eight recommendations designed to strike a balance between meeting the needs of families and meeting the needs of Alberta's employers. All of the committee's recommendations were accepted by the government and form the basis of the maternity and parental leave regulation and will now be enshrined in legislation through Bill 11.

4:50

Mr. Speaker, Bill 11 gives parents up to 37 weeks of parental leave. For birth mothers this means they are able to take up to 52 weeks of unpaid leave from work, made up of 15 weeks of maternity leave and up to 37 weeks of parental leave. Fathers may now share in parental leave. The 37 weeks of leave may be taken entirely by one of the parents or shared between them. Adoptive parents can also take up to 37 weeks of parental leave. Adoptive parents can take parental leave regardless of the age of their adopted child. This change recognizes that adopted children, whether they are newborns or school aged, need time to bond with their parents.

Maternity leave can begin at any time within 12 weeks of the estimated date of delivery. Parental leave can begin at any time after the birth or adoption of the child and must be completed within 52 weeks of that date.

Mr. Speaker, the government recognizes that these extended leave provisions present a challenge for employers in terms of finding and training replacement workers. Bill 11 contains the strictest notice requirements in the country for employees going on and returning from maternity or parental leave. This will give employers the time they need to recruit and train replacement workers.

The changes to notice requirements are significant for two reasons. First, they extend the amount of notice an employee must provide before taking employment leave. Second, they spell out clear consequences should an employee not provide the required amount of notice.

Employees going on maternity or parental leave must give their employers six weeks' notice, up from the previous two-week notice period. Birth mothers who are unable to give the required notice will still have to provide a medical certificate within two weeks of stopping work. Parents who are unable to give the required notice for medical or custodial reasons will have to provide written notice as soon as possible. Employees now have to provide at least four weeks' written notice to their employers to either return to work or change their return date, and employees are required to provide at least four weeks' written notice if they do not intend to return to work when their leave ends. These provisions give employers greater certainty in scheduling necessary staffing changes, and employers are under no obligation to reinstate an employee who does not provide the required notice to return to work.

Employees, whether they are full-time or part-time, must have worked for their employers for 52 continuous weeks before they are eligible for this maternity and/or parental leave provision.

Bill 11 gives legislative force to the province's maternity and parental leave regulation and further demonstrates our commitment to working parents and our children. It is an honour to move second reading of Bill 11. I encourage all members to join me in supporting this bill.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. Well, I thought I'd seen it all, but I haven't been in this House long enough I guess. We're now moving legislation to verify regulations. I never thought I'd see the day.

MS CARLSON: They're going to repeat it again in Bill 14.

MS BLAKEMAN: I guess so.

The member started with the reminder that in February of this year in fact the government of Alberta had announced a regulation that was extending unpaid maternity or parental leave from its position of 18 weeks, and Mr. Speaker, such backslapping, such self-congratulation. I can hear the popping of champagne corks, and I can just imagine in my mind's eye the blue and pink streamers cascading from the ceiling. Such excitement everyone has over this bill.

AN HON. MEMBER: Blue and orange.

MS BLAKEMAN: Blue and pink. Oh, blue and orange. I suppose that would be more . . . yeah, yeah. Okay.

I think: well, my goodness, all this over something that Alberta is one of the last two provinces to do. My goodness, what would it be like if they were actually a leader in this? Boy, that would really be a party.

In fact, after the federal government increased their parental leave to 50 weeks at the end of 2000, all of the other provinces except for Alberta and Saskatchewan came along right away quick, but we did manage to get a regulation out of Alberta in February. Now in May we're all warm and fuzzy because we're getting around to passing the legislation that reaffirms the regulation. But it's nice to see this happen.

So is this a good bill? Yes, of course. I mean, lots of people have given input. We've heard lots from this government about how important it is to keep families together. Yes, indeed. Do I support this? Of course I do. I would have supported it if the government had done it six months ago, when they should have done it, when it really would have been leadership, rather than late and behind everyone else, but I'm happy to support it now.

One of the things that is curious to me, though, is why the government continues to discriminate, to differentiate between different kinds of parents and between the genders. As we move towards understanding that we want both parents to be equally involved, barring the actual physical necessity involved in some of this, we wanted parental leave to be available in an equal number of weeks, and that's not what's happening here. In fact, the pregnant employee could qualify for 52 weeks because they're getting the 15 weeks of, strictly speaking, maternity leave plus the 37 of parental leave. In the case of the nonpregnant parent they only get 37 consecutive weeks within 52 weeks of the child's birth. Why aren't we being a bit more equal about this?

Worse, I think, is only 37 weeks for adoptive parents, and that is too bad, because once again, we're making a difference here. At a time when we need to be moving towards an understanding that parenting is parenting, that we're not distinguishing between birth children and adoptive children, what does this government do? Yuck. It takes one huge giant leap backwards about two decades.

Well, I still have hope. The legislation is being brought forward, but I really had hoped that the government was able to move beyond this distinguishing and doling out of different amounts of time to people. I would have thought that they could have moved beyond that, but that's not the case. [interjection] Well, probably. There's a suggestion that there might be an amendment through miscellaneous statutes in the next session. I'd certainly be willing to look at that if it came forward. I'd be in support of that then because I'm in support of it now, and I would have been in support of it six months ago. Nonetheless, the government has actually come through in verifying their regulation with legislation.



You know, I thought when I got elected that the legislation came first and then the regulations fell underneath the legislation. But no, not in Alberta. In Alberta we're going to do the regulations first, and then we're going to pass the legislation for it. It truly is an Orwellian experience here. We do have three bills drawn up that way. We've got bills 1, 14, and 11. All three bills are sort of after-the-fact, better get it in quick legislation.

So I'm happy to support this bill. I'll certainly be encouraging by colleagues to support this bill. It would be nice if we could see an amendment brought forward that would straighten out some of the discrimination. I don't know why this government feels it needs to discriminate between people, but it really seems to be a visceral urge. Gotta, gotta make everybody different and treat them different. But overall I'm glad to see this.

There's been a process followed for this. It in fact did start in the fall session of 2000, brought forward as a private member's bill. At that time I spoke in favour of it and thought it was going to pass, but fall sessions in Alberta are very short lived. Boy, you've got to really move those bills through, or bingo, two weeks and we're out of here, and it just didn't make it in the cut. [interjection] The Minister of Finance is saying that life is tough, and that's certainly the way it is in the Alberta Legislature. You've got to move fast or you're out of here. Two weeks for a fall session, three weeks for a spring session. Boy, on we go.

5:00

There was consultation. An invitation for consultation was issued at the beginning of the year. There was consultation with a number of different labour groups, nonprofit agencies, government departments, and I think if you were really quick, members of the public could have been involved with this as well.

So it's a fine thing. Its time is long past. I'm glad to see it, and I'm more than willing to support it. I look forward to the further debate. I'm sure there are many members of the government who are just raring to get up and debate on this. [interjection] Right, and I'm sure that's going to happen another day.

At this point, Mr. Speaker, I would like to adjourn debate.

[Motion to adjourn debate carried]

#### **Bill 14**

#### **Alberta Income Tax Amendment Act, 2001**

THE SPEAKER: The hon. Minister of Finance.

MRS. NELSON: Thank you very much, Mr. Speaker. I'm pleased to rise today to move second reading of Bill 14, being the Alberta Income Tax Amendment Act, 2001.

Mr. Speaker, this bill provides the legislative authority for the Alberta energy tax refund and makes a minor technical change with the foreign tax credit and the overseas employment tax credit.

The Alberta energy tax refund program was announced September 6, 2000, to help relieve the pressures of higher than normal energy costs, including home heating costs and higher prices at the gas pumps. This program was possible because of higher than expected resource revenues, and it returns over \$690 million to the pockets of more than 2 million Albertans. Highlights of the bill related to the energy tax refund include establishing program eligibility and refund amounts, ensuring the refund meets the criteria of an overpayment of provincial income tax so as not to be taxable at the federal level, and establishing criteria to redirect money to creditors, in particular in the case of maintenance enforcement debts. It also is ensuring that the province can recover amounts paid to individuals who are later found to be ineligible.

Mr. Speaker, while this program was put in place while this legislation was coming forward – it was introduced earlier – our commitment as a government, however, is to deal with the reality and make sure that we care for Albertans. While this bill is coming after the fact, it is still an important element.

The technical component of the amendment, Mr. Speaker, will ensure that Albertans who worked overseas in the year 2000 and earlier years are eligible to claim the overseas employment tax credit and the foreign tax credit. This change will ensure that affected Albertans receive that full benefit, as was always intended. This deficiency was rectified for the year 2001 and subsequent years in the new Alberta Personal Income Tax Act.

Those are the very basic principles of the bill, Mr. Speaker. I look forward to debate but move second reading.

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

MS CARLSON: Thank you, Mr. Speaker. I'm happy to have an opportunity to speak to Bill 14 in second reading, the Alberta Income Tax Amendment Act, 2001.

An interesting bill once again. Like my colleague from Edmonton-Centre talked about, this is a bill where we see the legislation coming before the Assembly after the regulations have been put in place and in fact, in this case, after the money has been spent.

This is a companion bill, I think, to Bill 1, and it's an interesting process and an interesting precedent that the government of this province has established in this particular year. We heard some nice motherhood and apple pie statements from the minister in introducing the bill, and that was a very clever way to talk about putting the cart before the horse. We have issues with the way that that is done. We'd like to see the legislation brought forward in the Assembly and have it debated, put out to Albertans for review, and then come back and be passed.

MRS. NELSON: Yeah, and then we would have frozen to death.

MS CARLSON: Well, the minister says that we could have frozen to death. Mr. Speaker, in fact if the government had had the foresight to see what was coming, which pretty well all of industry and most Albertans did, they would have anticipated the issues and I think been able to bring forward legislation in a timely fashion. We certainly think that something needed to be done, no doubt, but this wasn't something that happened overnight. We all saw it coming, so it's too bad that it happened in the way it did.

We'll be supporting this bill, Mr. Speaker. It's sort of silly not to when the money is already spent, but we have some points that we feel are important to be made. I'm happy to have the opportunity to make them when we're speaking to the principle of bringing in legislation that is really shielding legislation and really is minor, of a technical nature.

We think that the \$300 rebate under the Alberta energy tax refund program is helpful to Alberta consumers as a onetime measure, Mr. Speaker. It still was a crisis-based reaction by the government to the impact of higher energy prices. Not rocket science to figure out where prices were going and not rocket science to be able to figure out what their participation was in this. So it's too bad they decided to close the barn door after the horse had left.

In fact, it's one step, but we want to know what the next steps are, Mr. Speaker. Albertans really need a realistic plan to shield them from the sustained impact of energy prices over the medium term. This was clearly designed to shield the government's mismanagement of energy deregulation we think, not necessarily to shield

Albertans from the impact of higher energy prices, and we've had some of those discussions and debates in Bill 1. Certainly they've been followed up through question period, the media has had ahold of the issue, and lots of people have had lots to say about it. It's nice to know that the government did react fast enough to do some damage control. That's a good step, but they shouldn't be in a position where when they have the information available to them, damage control is where we go. They should have had some process in place for sustained shielding, which didn't happen.

[Mr. Shariff in the chair]

We saw this government, Mr. Speaker, attempting to introduce a long-term plan for providing Albertans with relief from the high natural gas prices with the introduction of Bill 1, the Natural Gas Price Protection Act, but this bill really was a blank cheque bill. It had no details, certainly lacks substance, and leaves every major decision regarding the government's plan for price protection to regulation.

So we're really no further ahead now than we were when the government first introduced its energy rebates. We still don't see any sustainable plans to shield the impact of energy prices, and we're still in the dark in terms of what this government's plans are. We're hoping that we see that. Maybe one of the reasons why the government wants out of session so quickly this particular spring is so they'll have an opportunity, over what remains of the spring and over the summer, to talk to Albertans and figure out where they're going and what kind of sustained shielding we can see in the future, because once again it isn't rocket science to figure out that prices aren't coming down, Mr. Speaker. They're going to be staying up there very high in the medium term and certainly higher than what we saw in the past in the long term, so I think it's important that the government talk about how we can be industry leaders in providing low-cost energy sources to Albertans and to worldwide consumers, hopefully, in the long run.

5:10

I think there are lots of options that we could be taking a look at, lots of developments happening on the research and technology side. Certainly there are options available in terms of solar power, wind power. I'm not sure that energy cells are going to be that productive in the long run, but work is being done. One good idea leads to another, and I'm sure that we have some excellent solutions to this problem on the near horizon. We need to see government supporting them in a substantive way. When they underwrite energy costs like they have with this kind of a bill, they put up barriers to supporting other alternatives and they put up barriers to existing energy companies finding innovative new solutions and better ways to deliver the product at lower costs.

So we're looking forward to seeing where the province is going to go in terms of support on those kinds of issues, and certainly we hope that there's going to be some good news coming up in the future. Certainly there may be some outcomes out of the Future Summit, that we're going to see in the fall. We'll be able to discuss those, I'm hoping, when we get into the fall sitting and talk about the kind of direction that this government is going in.

But before that, it would be helpful to industry to have some information on what kind of support they can see from this government on alternate sources. Also, for consumers there are lots of options that are very doable in the very short term and would be quite accepted, certainly by the Official Opposition, for them to move forward on. One of those is retrofits, Mr. Speaker. We could certainly support the government in assisting individuals and

companies and organizations looking at retrofits of their existing buildings to make them more energy efficient. That isn't an alternative energy source, but it's certainly a short-term kind of measure in terms of doing two things: lowering the cost to people and business but also being more efficient in the way that we consume energy. It's much more environmentally friendly to take a look at that.

What are some of the ways that this government could take a look at in terms of supporting retrofits? There are two that are being widely talked about right now throughout the province. One of those is providing grants to people up to a certain level to provide the retrofits. I don't think that goes along very well with this government's philosophy, although the payback to the government through lower energy costs, lower consumption, and a greater spending ability by taxpayers would be significant and I think would be worth looking at. It doesn't seem to follow this particular government's philosophy, but what we could take a look at is loans to consumers for retrofits that were tax free that the government could in fact set up.

It would be a great initiative for the new Minister of Economic Development to take a look at because it would be a great stimulant to companies throughout the province who would provide the services for the retrofits. It would lower average costs to consumers so they would have more disposable income to get out there and spend, spend, spend, and it would be looked on very favourably by people who were able to access this. It provides a real incentive for lower income Albertans or middle-income Albertans to take a look at something that they may think is not possible right now in terms of costs. Evaluations for average retrofits for a bare, basic kind of system are running somewhere around \$1,500. More significant ones average around \$3,000, \$4,500, up to \$15,000, so out of the realm of possibility for many families.

I would encourage the Minister of Economic Development to take a look at that as an option, something that he could bring forward to his cabinet meetings and really be seen as a leader and perhaps develop a protocol that other provinces would be willing to support. So we look forward to further information on that and hope that we can see some announcements coming forward prior to the fall session.

Now, we have some concerns, Mr. Speaker, on how this government shows a lack of respect for the legislative process when the government introduces a bill authorizing a plan which they announced over eight months ago and have already finished implementing. It's thumbing their nose at the democratic system, and it's a concern for us in terms of the process that this happened. It looks like cheque cutting to cover up some of the bungling that happened on electricity deregulation, and we have serious concerns about that. We would like those to be addressed.

Yes, I hear the murmurs from the other side. It isn't completely the government's fault, Mr. Speaker, but certainly there is an aspect of this that has to do with the lack of planning that came in with deregulation, and that responsibility falls solely on the shoulders of this government. They need to fess up, own up to their responsibility in this and tell Albertans what role they had. They had some role in this. They're certainly not responsible for global prices. I never indicated that they were, but certainly they have a responsibility to anticipate where prices are going in a global marketplace and do what they can to provide other alternatives for Albertans. In terms of the aspect of this, it's the responsibility of deregulation that falls solely on their shoulders, and they need to be tagged with this particular issue.

So now let's talk about these refunds themselves. They said that the first refund would be provided in November of 2000, would not

be applied to existing debts. Well, we know there have been all kinds of problems with the streamlining of that. In fact, people aren't getting their money. We're hearing that in the constituencies. We know that government private members have had those issues. They've been brought up here in question period. So not exactly a smooth process. That's what happens when you plan on the run: problems are encountered. So that's an issue.

In fact, Mr. Speaker, there are some people who still didn't get their cheques. I've got a couple of young people in my constituency who filed their returns prior to November of 2000 and haven't received the first or the second cheque. So some issues still around that. Perhaps if they don't come by the end of this month, I'll be taking it up with the minister's office to find out what the problems are, because they should have got them I think by this time.

Also a timing problem with the way the cheques came, Mr. Speaker. If they're to shield average costs on a monthly basis, when you get two lump sum cheques – and the second one, particularly, after most of the costs have been incurred – I think there's an issue with that. Not for, I don't think, middle-income earners, who have the flexibility within their budgets to absorb those costs, but certainly for lower income people. We heard untold kinds of problems with people having to make serious choices about how they spent their money and not being able to meet the basic needs in some cases or having to delay the payment of other bills and having to pay penalties. So that's a concern.

We see, I think, in the information we have that the average residential consumer was entitled to a nearly \$500 rebate in the past year to shield them from the impact of higher gasoline and natural gas prices, but the Alberta energy tax refund proposes to return just \$300 on average for Alberta taxpayers. That \$300 rebate represents

just 61 percent of the money that Albertans are rightfully owed in 2000 because of the impact of higher home-heating fuel costs and gasoline prices.

5:20

That's the general outline of the concerns that we had with this bill. We want to put them on the record. Having said that, I believe I'll be supporting this bill, at least in second reading, and we'll see if we get any negative feedback from taxpayers when we get to committee. But it seems to me that while people have reservations, they're quite happy to hold their nose and put their hand out for the cheque, Mr. Speaker.

[Motion carried; Bill 14 read a second time]

THE ACTING SPEAKER: The Deputy Government House Leader.

MR. STEVENS: Yes, Mr. Speaker. Given the good progress that we've made since 4:30, I move that we call it 5:30 and that when we reconvene this evening at 8 o'clock, we do so in Committee of Supply.

THE ACTING SPEAKER: Does the Assembly agree with the motion proposed by the hon. Deputy Government House Leader?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? Carried.

[Pursuant to Standing Order 4 the Assembly adjourned at 5:22 p.m.]

